

## NEW HAMPSHIRE

Charles D. Grant to be postmaster at Wolfeboro, N. H., in place of A. W. Eaton, resigned.

## NEW JERSEY

Melvin H. Roberson to be postmaster at Annandale, N. J., in place of M. H. Roberson. Incumbent's commission expired May 17, 1930.

John D. Hall to be postmaster at Clinton, N. J., in place of G. A. Hall, deceased.

## NEW MEXICO

Effie C. Thatcher to be postmaster at Chama, N. Mex., in place of E. C. Thatcher. Incumbent's commission expired April 9, 1930.

## NEW YORK

Walter E. Steves to be postmaster at New Rochelle, N. Y., in place of W. E. Steves. Incumbent's commission expires June 22, 1930.

Eugene H. Ireland to be postmaster at Palatine Bridge, N. Y., in place of E. H. Ireland. Incumbent's commission expired May 14, 1930.

Lottie Allen to be postmaster at Perrysburg, N. Y., in place of Lottie Allen. Incumbent's commission expired February 4, 1930.

## OHIO

Roy G. Sutherin to be postmaster at East Palestine, Ohio, in place of R. G. Sutherin. Incumbent's commission expired February 23, 1930.

John W. Switzer to be postmaster at Ohio City, Ohio, in place of J. W. Switzer. Incumbent's commission expires June 14, 1930.

Francis M. Birdsall to be postmaster at Hicksville, Ohio, in place of R. B. Birdsall, resigned.

## OKLAHOMA

Oliver T. Robinson to be postmaster at Britton, Okla., in place of O. T. Robinson. Incumbent's commission expired January 21, 1930.

Ida White to be postmaster at Konawa, Okla., in place of Ida White. Incumbent's commission expired April 13, 1930.

## OREGON

Ralph E. Hanna to be postmaster at Beaverton, Oreg., in place of W. L. Cady, removed.

Ethel N. Everson to be postmaster at Creswell, Oreg., in place of E. N. Everson. Incumbent's commission expired February 6, 1930.

Paris D. Smith to be postmaster at Nyssa, Oreg., in place of E. T. Leigh. Incumbent's commission expired December 21, 1929.

## PENNSYLVANIA

Julia A. Ernest to be postmaster at Beavertown, Pa., in place of J. A. Ernest. Incumbent's commission expired April 13, 1930.

Emma Zanders to be postmaster at Mauch Chunk, Pa., in place of Emma Zanders. Incumbent's commission expires June 3, 1930.

Mabel M. Myer to be postmaster at Ronks, Pa., in place of M. M. Myer. Incumbent's commission expired May 4, 1930.

Johanna Priester to be postmaster at Wheatland, Pa., in place of Johanna Priester. Incumbent's commission expires June 10, 1930.

## SOUTH CAROLINA

Ollie W. Bowers to be postmaster at Central, S. C., in place of O. W. Bowers. Incumbent's commission expires June 8, 1930.

## SOUTH DAKOTA

Richard E. Scadden to be postmaster at White, S. Dak., in place of R. E. Scadden. Incumbent's commission expired May 4, 1930.

## TENNESSEE

Emmett V. Foster to be postmaster at Culleoka, Tenn., in place of E. V. Foster. Incumbent's commission expired March 1, 1930.

## TEXAS

Nora H. Kelly to be postmaster at Lockhart, Tex., in place of N. H. Kelly. Incumbent's commission expired May 12, 1930.

Charles C. Eppright to be postmaster at Manor, Tex., in place of C. C. Eppright. Incumbent's commission expired April 28, 1930.

William F. Borgstedte to be postmaster at Washington, Tex. Office became presidential July 1, 1929.

Mayo McBride to be postmaster at Woodville, Tex., in place of Mayo McBride. Incumbent's commission expires June 12, 1930.

## VERMONT

Marion C. White to be postmaster at Cavendish, Vt., in place of M. C. White. Incumbent's commission expires June 16, 1930.

## VIRGINIA

Rosalie H. Mahone to be postmaster at Amherst, Va., in place of P. H. Smith. Incumbent's commission expired March 18, 1929.

Thomas L. Woolfolk to be postmaster at Louisa, Va., in place of T. L. Woolfolk. Incumbent's commission expired April 1, 1930.

## WEST VIRGINIA

William C. Bishop to be postmaster at Scarbro, W. Va., in place of W. C. Bishop. Incumbent's commission expired December 17, 1929.

Delta D. Buck to be postmaster at Sistersville, W. Va., in place of D. D. Buck. Incumbent's commission expired May 12, 1930.

## WISCONSIN

Lloyd A. Hendrickson to be postmaster at Blanchardville, Wis., in place of L. A. Hendrickson. Incumbent's commission expires June 23, 1930.

Burton E. McCoy to be postmaster at Prairie du Sac, Wis., in place of B. E. McCoy. Incumbent's commission expires June 21, 1930.

## HOUSE OF REPRESENTATIVES

TUESDAY, May 27, 1930

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Infinite Love, so pure and boundless, we thank Thee that we are the ungrown children of Thy earthly household, looking upon ourselves as plants in the garden of our Lord. Bless us with the sense of things unseen, eternal, immutable, and more and more admit us into mysteries of Thy kingdom. O Spirit of Christ, dwell in our homes, the divine unit of society, where the soul develops its powers and learns to use its vision. O dwell in every heart, the ultimate shrine and temple of God. Make manifest in motherly arms Thy watchful care for every child and every hearthstone. As guardians of truth, honor, and purity, lead us on to the highest accomplishments of our spiritual natures. Amen.

The Journal of the proceedings of yesterday was read and approved.

## MESSAGE FROM THE SENATE

A message from the Senate by Mr. Craven, its principal clerk, announced that the Senate had passed without amendment bills, a joint resolution, and a concurrent resolution of the House of the following titles:

H. R. 9412. An act to provide for a memorial to Theodore Roosevelt for his leadership in the cause of forest conservation;

H. R. 9804. An act to amend the World War adjusted compensation act, as amended, by extending the time within which applications for benefits thereunder may be filed, and for other purposes;

H. R. 11433. An act to amend the act entitled "An act to provide for the acquisition of certain property in the District of Columbia for the Library of Congress, and for other purposes," approved May 21, 1928, relating to the condemnation of land;

H. J. Res. 328. Joint resolution authorizing the immediate appropriation of certain amounts authorized to be appropriated by the settlement of war claims act of 1928; and

H. Con. Res. 34. Concurrent resolution requesting the President to return to the House of Representatives the bill (H. R. 3975) entitled "An act to amend sections 726 and 727 of title 18, United States Code, with reference to Federal probation officers, and to add a new section thereto."

The message also announced that the Senate had passed, with amendments in which the concurrence of the House is requested, a bill of the House of the following title:

H. R. 6. An act to amend the definition of oleomargarine contained in the act entitled "An act defining butter, also imposing a tax upon and regulating the manufacture, sale, importation, and exportation of oleomargarine," approved August 2, 1886, as amended.

The message also announced that the Senate insists upon its amendments to the bill (H. R. 10175) entitled "An act to amend an act entitled 'An act to provide for the promotion of vocational rehabilitation of persons disabled in industry or otherwise and their return to civil employment,' approved June 2, 1920, as amended," disagreed to by the House; agrees to the

conference asked by the House on the disagreeing votes of the two Houses thereon, and appoints Mr. METCALF, Mr. COUZENS, and Mr. WALSH of Massachusetts to be the conferees on the part of the Senate.

TO SUPPLY A DEFICIENCY IN APPROPRIATIONS FOR EMPLOYEES' COMPENSATION FUND

Mr. WOOD. Mr. Speaker, I ask unanimous consent for the present consideration of House Joint Resolution 346, to supply a deficiency in the appropriation for the employees' compensation fund for the fiscal year 1930.

The SPEAKER. The Clerk will report the joint resolution. The Clerk read as follows:

House Joint Resolution 346

Joint resolution to supply a deficiency in the appropriation for the employees' compensation fund for the fiscal year 1930

*Resolved, etc.,* That there is hereby appropriated, out of any money in the Treasury not otherwise appropriated, the sum of \$400,000 to supply a deficiency in the employees' compensation fund for the fiscal year 1930 and prior fiscal years, including the payment of compensation and all other objects of expenditure provided for under this head in the independent offices appropriation act for the fiscal year 1930.

The SPEAKER. Is there objection?

Mr. GARNER. Reserving the right to object, as I understand the request made by the gentleman from Indiana, it is an emergency matter and can not wait for the general deficiency bill?

Mr. WOOD. That is the fact.

The SPEAKER. Is there objection?

There was no objection.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

A motion to reconsider was laid on the table.

GRAND ARMY OF THE REPUBLIC MEMORIAL DAY CORPORATION

Mr. WOOD. Mr. Speaker, I ask unanimous consent for the present consideration of the joint resolution making appropriations for the Grand Army of the Republic Memorial Day Corporation for use on May 30, 1930.

The SPEAKER. The Clerk will report the House joint resolution.

The Clerk read as follows:

House Joint Resolution 349

House joint resolution making an appropriation to the Grand Army of the Republic Memorial Day Corporation for use on May 30, 1930

*Resolved, etc.,* That the sum of \$2,500 is hereby appropriated, out of any money in the Treasury not otherwise appropriated, for the use of the Grand Army of the Republic Memorial Day Corporation to aid in its Memorial Day services, May 30, 1930, and in the decoration of the graves of the Union soldiers, sailors, and marines in the national cemeteries in the District of Columbia and in the Arlington National Cemetery, Va., to be paid to the treasurer of such corporation and disbursed by him in accordance with the act approved May 19, 1930.

The SPEAKER. Is there objection?

There was no objection.

The House joint resolution was ordered to be engrossed and read a third time, was read the third time, and passed.

A motion to reconsider was laid on the table.

EXPENSES OF THE MARINE BAND

Mr. WOOD. Mr. Speaker, I ask unanimous consent for the present consideration of House Joint Resolution 350, to provide funds for payment of the expenses of the Marine Band, attending the Fortieth Annual Confederate Veterans' Reunion.

The SPEAKER. The Clerk will report the resolution.

The Clerk read as follows:

House Joint Resolution 350

House joint resolution to provide funds for payment of the expenses of the Marine Band in attending the Fortieth Annual Confederate Veterans' Reunion

*Resolved, etc.,* That the appropriation "General expenses, Marine Corps, 1930," is hereby made available to the extent of not to exceed \$7,500, for payment of the expenses of the United States Marine Band in attending the Fortieth Annual Confederate Veterans' Reunion to be held at Biloxi, Miss., June 3 to 6, inclusive, 1930, as authorized by the act approved May 12, 1930.

The SPEAKER. Is there objection?

There was no objection.

The House joint resolution was ordered to be engrossed and read a third time, was read the third time, and passed.

A motion to reconsider was laid on the table.

SIXTH PAN AMERICAN CHILD CONGRESS

Mrs. OWEN. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the House Joint Resolution 270, author-

izing an appropriation to defray the expenses of the participation of the Government in the Sixth Pan American Child Congress, to be held at Lima, Peru, July, 1930, with a Senate amendment, and to concur in the Senate amendment.

The Clerk read the title to the bill and the Senate amendment, as follows:

Page 1, line 9, after "subsistence," insert "notwithstanding the provisions of any other act."

The SPEAKER. Is there objection?

Mr. LA GUARDIA. Reserving the right to object, that language was stricken out in the House?

Mrs. OWEN. It was reported as a Senate amendment.

Mr. LA GUARDIA. Yes; the Senate put in the language that was stricken out. For the present, Mr. Speaker, I object.

HOLABIRD QUARTERMASTER DEPOT MILITARY RESERVATION

Mr. LINTHICUM. Mr. Speaker, I ask unanimous consent for the present consideration of the bill (H. R. 9280) to authorize the Secretary of War to grant a right of way for street purposes upon and across the Holabird Quartermaster Depot Military Reservation, in the State of Maryland.

The SPEAKER. The Clerk will report the bill.

The Clerk read the bill, as follows:

H. R. 9280

A bill to authorize the Secretary of War to grant a right of way for street purposes upon and across the Holabird Quartermaster Depot Military Reservation, in the State of Maryland.

*Be it enacted, etc.,* That the Secretary of War be, and he is hereby, authorized to grant an easement for a right of way to the city of Baltimore, State of Maryland, to improve, widen, and maintain Twenty-seventh Street, to be known as Cornwall Street, on the Holabird Quartermaster Depot Military Reservation, Md., on such terms and conditions as the Secretary of War may prescribe: *Provided*, That the construction and maintenance of said thoroughfare shall be without expense to the United States, and whenever the lands within said right of way shall cease to be used for street or highway purposes, they shall revert to the United States.

The SPEAKER. Is there objection to the request of the gentleman from Maryland?

Mr. GARNER. Reserving the right to object, as I understand, this is a unanimous report from the Committee on Military Affairs.

Mr. LINTHICUM. It is.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

A motion to reconsider was laid on the table.

EXTENSION OF REMARKS

Mr. GOLDSBOROUGH. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD upon the subject of old-age pensions, and incorporate therewith an article appearing in the New Republic entitled "Freedom for the Aged."

The SPEAKER. The gentleman from Maryland asks unanimous consent to extend his remarks in the RECORD and to include therewith an article from the New Republic. Is there objection?

Mr. UNDERHILL. Mr. Speaker, reserving the right to object, I shall object so far as the latter part of the request is concerned. I do not object to the gentleman's own remarks.

Mr. LA GUARDIA. The gentleman from Maryland ought to know that the New Republic would shock our colleague from Massachusetts.

Mr. UNDERHILL. It does not make any difference whether it is the New Republic or the old Republic. I make no distinction. It is an imposition upon the taxpayers and the public generally to have articles unrelated to Congress published in the CONGRESSIONAL RECORD. I object.

The SPEAKER. Does the gentleman from Maryland desire to extend his own remarks and not include the article?

Mr. GOLDSBOROUGH. No; I do not.

THE FEDERAL FARM BOARD

Mr. BUCHANAN. Mr. Speaker, I ask unanimous consent to address the House for five minutes.

The SPEAKER. The gentleman from Texas asks unanimous consent to address the House for five minutes. Is there objection?

Mr. SNELL. Mr. Speaker, reserving the right to object, we have a full day's program before us, and unless the gentleman's remarks are to be very short, I feel that I should ask him to postpone it until some other time.

Mr. BUCHANAN. I am compelled to leave for Texas day after to-morrow, and this will probably be the last opportunity.

The SPEAKER. Is there objection?

There was no objection.

Mr. BUCHANAN. Mr. Speaker and gentlemen of the House, I hold in my hand a resolution adopted by the Navasota Chamber of Commerce in Texas. Navasota is a city of probably not more than 6,000 inhabitants and is in the heart of the Cotton Belt of my State. This resolution condemns in the severest language the farm relief act which we passed in June, and it condemns in the severest language the operations of the Farm Board and demands a repeal of the farm relief act. I shall not take the time to read the resolution; it is too long; but let me call the attention of my colleagues to the fact that this act was approved June 15, 1929, and that it was a month later before the board was appointed and organized. I feel that these criticisms are entirely too premature. [Applause.]

That board ought to have time, and it ought to have the instrumentalities furnished to it so that it can ascertain and get clear ideas of the problems confronting it. Here is a great act of Congress creating a board to undertake one of the most difficult problems that ever confronted the American people, and in less than a year from the time of the passage of the act the board is severely condemned and a repeal of the act demanded by this organization in the heart of the Cotton Belt. "Father, forgive them, for they know not what they do."

It will be recalled that in the last deficiency appropriation bill we carried an appropriation of \$100,000,000 to add to the \$150,000,000 revolving fund of the Farm Board. This was in the form of a Senate amendment. There were no hearings in the Senate. The matter came to the House, and the deficiency subcommittee of the Committee on Appropriations conducted some hearings upon it. The hearings have never been printed; they are in manuscript form. For the information of the House I will say that I have gone over the hearings, and I am about to give you some figures of what the Farm Board has loaned on different commodities.

Cotton leads the list. The Farm Board has committed itself to the cotton cooperators in the sum of \$50,548,000. It has committed itself to wheat and other grains in the sum of \$48,515,000; on fruits and canned goods, \$11,244,000; on livestock, \$8,600,000; on wool, \$5,385,000; on the dairy industry, \$7,157,000; on miscellaneous, such as beans, honey, potatoes, rice, tobacco, feed, and so forth, \$1,431,000, making a total of commitments of \$132,880,000. The original appropriation from which this money is derived is \$150,000,000, and deducting the \$132,880,000 from that, there is left \$17,120,000 of the original appropriation. There has been paid back on money loaned into the revolving fund \$6,000,000. Further payments are expected in the next three months of \$10,000,000, making the available balance in the Treasury appropriated \$33,120,000. Add to this the appropriation of \$100,000,000 we made in the last deficiency appropriation bill and there remains \$133,120,000 now available for future commitment or loans.

By going over that hearing I have ascertained that the Farm Board expects within the next six months to approve applications for loans, commodity loans principally, aggregating \$50,000,000 on all commodities except cotton and wheat, and on cotton and wheat they expect commitments of \$100,000,000. This makes \$150,000,000 that they expect to be called upon to loan in the next six months. To meet that \$150,000,000 we have available \$133,120,000, which would leave them a deficiency of \$16,880,000 if they supplied the demands. [Applause.]

The original act, approved June 15, 1929, authorized an appropriation of \$500,000,000 as a revolving fund for the above purposes. We have actually appropriated \$250,000,000 of that amount, which leaves a balance of \$250,000,000 authorized and not yet appropriated. This, in my judgment, will be ample to meet any future crisis.

The primary purpose of the farm relief act was to organize, in commodity groups, the farmers of the United States so that they could act collectively in the disposition of their products, to stabilize the market prices of agricultural products, and prevent wide fluctuations in prices, which is and has always been the fertile field for the operation of the speculators.

The crisis as to whether or not the farm relief act and the Farm Board will be a success or failure will shortly be determined. To illustrate, during the preceding months of this year some interests other than the cotton farmers or cotton cooperative associations undertook to force the price of cotton down by selling the future market of May and July to the extent of practically 2,000,000 bales of cotton in order that they might depress the market for those months and carry the future months down with them, hoping to force the price of cotton during October, November, and December, when the farmer has to sell, down below the cost of production and then purchase future contracts for those months at a lower price and in a greater quantity than the same interests had sold the May and July contracts for, and thus reap an enormous profit at the expense of the producers of cotton.

As soon as this selling of future contracts for May and July by the outside interests got under headway the price of cotton commenced to drop and continued to go down until the cotton cooperatives and the Farm Board took a hand in the game. Yes, this contemplated scheme of these outside interests met with a big surprise. The cotton cooperative associations took advantage of the farm relief act, arranged with the Farm Board to borrow \$50,548,000, at not exceeding 4 per cent interest. Then they entered the future market and bought the future contracts being offered for sale by these outside interests, and when the contracts mature they demand delivery of the actual cotton, with the purpose and intention of locking up the warehouse, throwing the key away, and withdrawing the cotton from the market until such time as it will gradually be absorbed by the market.

Thus, for the first time in history, a real battle is being waged between cotton speculators on the one hand and the cotton cooperative associations, backed by the Farm Board, on the other hand.

If the cotton cooperative associations and the Farm Board stand together and live up to the purpose and intention of the farm relief act, they will win and the farm relief act will prove a blessing to agriculture throughout the Union.

If, on the other hand, the Farm Relief Board should weaken, and I do not believe it will, and force the cooperatives by withdrawing their committed loans or by demanding payment of those already made to dump this three to six hundred thousand bales upon the market, breaking the market and sending the price of cotton lower than it has been since the war, then the farm relief act will become a failure and a farce, as this battle royal by the cooperative cotton associations and the Farm Board to prevent special interests from controlling the cotton market will be typical in every other primary agricultural product.

Let us hope and pray that the cooperative associations and the Farm Board win a signal victory, to the end that hereafter no selfish interests shall dominate, control, straddle, or manipulate the market of cotton or any other agricultural product.

#### RECLAMATION AND CONSERVATION OF OUR NATURAL RESOURCES

On the 30th day of January, 1930, I introduced H. R. 9335, reclamation through irrigation, through drainage, and through flood prevention of vast areas of land now subject to flood, drought, and swampy condition.

This bill provides that the Department of the Interior shall accept the bonds of any solvent improvement district at face value covering the cost of construction without interest, and construct the improvements or have them constructed under contract.

For many years the Federal Government has been constructing vast irrigation projects in the West out of Government funds for the benefit of the western farmer in public-land States, and collecting in rentals only the principal, cost of construction, that is, not charging any interest.

This bill of mine merely gives to the other States the same service that has been bestowed upon public-land States for many years, and places it within the power of the citizens of nonpublic-land States to reclaim their bottom lands from the ravages of the floods, from drought and swampy conditions, upon the same terms and conditions that the public-land States have enjoyed for many years.

More than 75 per cent of the land reclaimed in the public-land States under Government irrigation projects is privately owned. If the Government reclaims land for the private citizen of public-land States, without charging interest for the cost of the improvements, there is no reason why it should not reclaim privately owned land for the people of Texas and all other States upon the same terms. This bill, when passed, will constitute a national reclamation and conservation policy for the entire country.

First step in progressive program to place the quality and production of cotton upon scientific basis, so that the cotton produced will have the greatest possible spinnable value, to the end that American cotton will be demanded in preference to cotton produced in any other country.

On the 21st day of February, 1930, I introduced House bill 10173, authorizing the Secretary of Agriculture to establish and maintain experimental plants and laboratories and make tests, demonstrations, and experiments, technical and scientific studies in relation to cotton ginning, with the thought of developing improved ginning equipments and the use of improved methods in ginning cotton.

Two years ago, on my insistence, an appropriation of \$10,000 was made in the agricultural bill for the purpose of ascertaining the damage done to our cotton lint by the present process of ginning.

Under this appropriation samples of seed cotton and of ginned cotton from the same field were taken. The lint was picked by hand from the seed and then compared with the lint taken from the seed by the gin saws, and it was ascertained, on 56 such experiments, that the gin had damaged the fiber or length of staple of the cotton from \$5 to \$40 per bale. That is, the saws had cut the staple in two, destroyed its uniformity, and depreciated its spinnable value to that extent.

This bill was approved by the Secretary of Agriculture, the Bureau of the Budget, unanimously reported favorably by the Agricultural Legislative Committee of the House, was passed by the House and Senate, was signed by the President, and is now a law.

It is conservatively estimated by the United States Agricultural Department and by others that our modern ginning process and machinery damages the spinnable value of the lint cotton at least \$50,000,000 annually. With proper ginning machinery, which will be developed under this bill, this \$50,000,000, created by the brawn and through sweat of the cotton farmer, will be saved to him.

It is not right that \$50,000,000 of created wealth should be destroyed annually by gin machinery, and I expect to see that sufficient appropriations are made until this problem is solved.

#### ROOT ROT OF COTTON

During one of my campaigns, in riding over my congressional district, I noticed a large amount of cotton dying from root rot. On investigation I found that at least 500,000 bales of cotton were destroyed by this disease, placing the cotton raisers, who own this root-rot-infested cotton land, at a great disadvantage with the cotton raisers of other sections, where the root rot does not exist.

After the campaign, I came to Washington and called a meeting of the Chief of the Bureau of Plant Industry and the Chief of the Bureau of Chemistry and Soils of the Department of Agriculture and instructed them to bring their experts with them to my office. In addition, I invited to the conference several other Texas Congressmen.

The purpose of this gathering was to take immediate steps to form an organization of scientists in the Department of Agriculture and provide sufficient appropriation to conduct research investigation into the cause of root rot of cotton and to find a remedy therefor.

At this conference it was determined that an agronomist, a soil chemist, and a biologist should be included in the personnel to undertake solution of this problem and the problem be attacked from both field and laboratory viewpoint, involving the study of the soil factors, involving the development and spread of the disease, as well as a treatment of the soil by fertilizer, chemicals, and other soil amendments, which tend to control or eradicate the disease, and to ascertain chemical deficiencies existing in the soils where the root rot is prevalent, and where it is not.

To carry out the above work I procured an appropriation of \$48,000 the first year, 1929; \$72,033 the second year, 1930; and \$91,533 the third year, 1931, and established, in Austin, Tex., a laboratory and field station where the research and investigation are now in progress, in cooperation with farmers from San Antonio to Greenville, Tex., showing 30 different fertilizer ratios and individual chemical salts, which resulted in several promising leads and prospects of success. Mr. Chairman and colleagues, I am going to request that adequate appropriation be continued until this disease is completely eradicated.

#### CONSERVATION OF OUR SOIL AND THE PRESERVATION OF THE RAINFALL FOR PRESENT AND FUTURE WELFARE OF AGRICULTURE

On the 18th day of December, 1928, I offered the following amendment to the agricultural appropriations bill:

To enable the Secretary of Agriculture to make investigation not otherwise provided for of the causes of soil erosion and the possibility of increasing the absorption of rainfall by the soil in the United States, and to devise means to be employed in the preservation of soil, the prevention or control of destructive erosion and the conservation of rainfall by terracing or other means, independently or in cooperation with other branches of the Government, State agencies, counties, farm organizations, associations of business men or individuals, \$160,000, of which amount \$40,000 shall be immediately available.

This amendment created nation-wide interest, and I received letters commending it and urging its adoption from the president of practically every agricultural college in the Nation. The amendment was adopted without a dissenting vote in the House, and, after commending this amendment, the Department of Agriculture established soil-erosion stations at Temple, Tex., Guthrie, Okla., Hays, Kans.; and two others are now being established in the agricultural Appalachian regions of the Southeast.

At this session of Congress I had the appropriation increased in the House from \$160,000 to \$185,000, carrying out my original program of having the 18 different types of agricultural soil of material acreage thoroughly studied and the best method ascertained to stop erosion.

Soon after the passage of this amendment eight Southern States called a conference and formed an organization to co-operate with the Department of Agriculture in the solution of the erosion problem, declaring it to be the most vital problem affecting the agricultural interest of the Nation.

When I tell you that on actual measurements and weight, on 1 acre of ground, with only 2 per cent slope, which is almost level to the naked eye, 42 tons of soil was washed away in one year, with only 27 inches of rainfall, you will realize that it will only be a question of 25 years until one-half of the agricultural land will be destroyed for agricultural purposes if something is not done to prevent it.

And here, my colleagues, I am going to request you in the coming sessions of Congress to materially increase the appropriation for this work, that the soil upon our agricultural lands may be preserved for ourselves and as a priceless heritage to our children.

#### SCIENTIFIC BASIS OF CROP ESTIMATES AND ACREAGE PLANTED IN PRIMARY CROPS TO PREVENT LOSSES FROM OVERESTIMATES OF CROP PRODUCTION AND TO PREVENT OVERPRODUCTION IN ANY ONE AGRICULTURAL PRODUCT

On March 1, 1929, I introduced House bill No. 28, which was near the close of the session, and reintroduced in this session, which provides for accurate periodical surveys of not to exceed 15 per cent of the area planted in the primary crops, thus giving the Agricultural Department adequate legal authority to operate in procuring an accurate basis upon which to make its annual estimate of crop production and avoid the hit-and-miss system now in force, which sometimes costs the farmers more than \$100,000,000 in one year.

For instance, if the department overestimates the production of cotton, the bears seize upon that particular estimate to press the price down at the time when the farmers are bound to sell, causing enormous loss, and it is to prevent such injustices, as well as to procure accurate agricultural statistics as to the acreage planted in the different crops and the bearing of such planted acreage upon prospective production and price, thus enabling the farmer to avoid overproduction in any specific crop by planting his land in some other crop.

#### THE MAINTENANCE OF OUR FUTURE IN THE WORLD SUPREMACY IN COTTON DEMANDS PROMPT AND VIGOROUS ACTION

On May 5, 1930, I introduced House bill 12165, entitled—

A bill to promote improvement in the spinning quality of cotton grown in the United States, to secure the correlation and the most economical conduct of cotton and other researches, and for other purposes.

This bill is of national interest, as it deals with one of the most important agricultural products of our country—cotton. In fact, a product of universal necessity throughout the world, and no act should be left unperformed that will contribute toward placing the cotton production upon a solid foundation and the cotton producer on the road to prosperity, happiness, and contentment.

This bill provides, first:

For the development, without sacrifice yield, of the superior strain of cotton, producing more uniform fiber of greater average length, strength, and spinnable value through acclimatization, adaptation, breeding, and selection of varieties of seed of cotton.

Second:

(b) To determine the best method of organizing, establishing, and maintaining 1-variety cotton communities for the production and maintenance of stocks of pure cottonseed of superior varieties, and for increasing and centralizing the production of large commercial quantities of uniform fiber and other desirable spinning properties.

Mr. Speaker, we are absolutely dependent upon foreign countries purchasing the surplus cotton which we yearly produce. This amounts to from 6,000,000 to 8,000,000 bales.

If we expect foreign spinners to continue to purchase this surplus, we must meet the demands of the spinning world in the valuable spinning properties of our lint cotton. Good qualities, superior qualities in any product offered for sale always and everywhere find purchasers.

During the past few years the quality of American cotton produced has not kept pace with the increased production, and the average in quality is a great deal lower than in former years.

On the other hand, the quality of cotton produced in other countries has gradually increased, and such improvement in the

quality of foreign-produced cotton has absolutely absorbed the increased consumption of the world during the last 20 years.

Let me call your attention to the statement of Alexander Legge, chairman Federal Farm Board, made during the hearings on the independent offices appropriation bill for 1931, where he states:

For instance, to-day in cotton there is something wrong with that proposition. The world's consumption of cotton in the last 20 years has gone up about 60 per cent. All of that increase has been taken care of largely by other cotton-growing countries. Our exports are running about where they were before.

The average quality of our production has gone down. The quality of the foreign competition has come up.

Fifty per cent of the India crop a few years ago was regarded as only fit for making rugs; to-day 50 per cent outranks American cotton in grade.

We have got to go into this proposition as to why that is and what can be done to put our growers on a competitive basis both as to quantity and quality. Necessarily, we must know what the other fellows are doing, so we can handle the matter intelligently.

Never were truer words spoken. Are we of the United States, owning the best producing cotton country in the world, capable of producing the best quality of cotton in the world, going to sit supinely and permit India, Russia, and other countries to rob us of our world market for our surplus cotton by our neglect and inattention to one of the most important problems confronting our Nation?

Sixty years ago the English spinners used to purchase their cotton from the southeastern coast of the United States on its name or strain alone, just as the livestock breeders now purchase a registered bull.

At that time the cotton producers maintained in certain areas pure strains or varieties of high-grade cotton of high spinnable qualities, which was a good guaranty of the spinnable quality of the cotton, but the desire of the cotton producer for quantity production instead of quality production caused him to abandon the purebred cotton and seek quantity-producing varieties.

As a result we now have practically throughout the Union a mongrel cotton, with no superior spinnable qualities, no uniformity in length and strength of staple or fiber, with gins cutting the staple up and cutting the lint from the seed too closely, producing neps, which break the thread and cause losses to the spinners and produces inferior cloth.

The object, therefore, of the two foregoing sections is to return to the older methods of purebred strains of cotton, ultimately resulting in producing in the United States the cotton which will constitute the ideal spinnable cotton, containing the greatest spinnable value, capable of being spun into cloth with the least operating expense, and turning out the best quality of cloth.

When this is accomplished our American cotton will be in demand by the spinners of the world in preference to any cotton of foreign growth.

To accomplish the above purposes it is contemplated by the two foregoing sections of this bill to divide the cotton-producing areas of the Nation into regional zones or sections; each zone or section must have similar soil, heat, moisture, and other climatic conditions, each having a bearing on cotton growth, development, and the quality produced.

Some high-grade strains of cotton will produce and develop well under certain soil and climatic conditions, while in other sections of different soil and climatic conditions it will not be a success.

In each of these regional sections—there will probably be not more than four—the Government will maintain a cottonseed breeding and cotton-cultural farm, on which only pure strains of cotton that will produce high-grade lint of high spinnable value will be planted, and crossbreeding will be indulged in freely, the lint from each strain being tested as to its spinnable qualities in the cotton research laboratory in Washington.

When satisfactory cotton strains or varieties have been found or produced by crossbreeding, the seed produced on these Government experimental farms will be furnished either to the individual cotton raiser or to the cottonseed breeders, who will obligate themselves to keep the strain or variety pure and sell only pure strain or variety of cottonseed to the individual farmer.

Of course, nothing compulsory is contemplated in this bill so far as the cottonseed breeder or the farmer is concerned. Their desire to get a higher price for their cotton and make a greater profit will be sufficient stimulant.

These pure strains or varieties of high-grade cotton, when once ascertained will be maintained by the one variety county or community cotton-producing sections set forth in section B of the bill.

Any cotton-producing community of the United States could now create for itself an enviable reputation, if all the cotton farmers in that community would select one of the high-grade cottons now known and plant only that cotton in that community.

The cotton mills would be clamoring for cotton produced in that community, as it would contain strength and uniformity of staple and probably the length of staple so desired by the spinners.

But what I am striving for and what this bill will accomplish, is to so raise the quality in the cotton produced in the United States until it will command the world markets, absorb the world's increased consumption and discourage the increasing cotton production of other countries.

I am credibly informed that in India, where such vast improvement has been made in the quality of the cotton produced there, that the English Government maintains regular cottonseed breeding stations, where only purebred cottons are planted and the seed from such stations are furnished to either the cotton farmer or the cottonseed breeders. The cottonseed breeders must obligate themselves to keep the seed pure and unmixed with other low-grade strains of cotton and sell only such seed to the individual cotton farmer.

I quote again from Mr. Legge's testimony before the committee:

India has improved more in the question of quality than in quantity. India produces only half as much cotton as the United States. We have always been accustomed to thinking of this being the cotton-producing country of the world, but we are quite a bit short of that.

And Russia is also increasing. As an illustration of what they are doing, the Russian Government does not allow a planter to plant his own seed. They import seed. It is an offense, dealt with summarily, if the Russian farmer plants seed that he raises himself. In other words, they must produce the quality of cotton that is now being produced by government action.

I will not take the time of the House to discuss sections (c) and (d) of the bill. While they are important, their importance is not comparable to sections (a) and (b), above discussed, and to section (e), which I will now discuss. This section of the bill is as follows:

Section (e): To determine the most economical utilization of rough, rolling, eroded, and exhausted lands, unprofitably devoted to cotton production, which might be employed to best advantage for forage crops, grazing, forestry, or other purposes.

The facts are that there are about 15,000,000 acres of eroded, exhausted lands in Southern States now unprofitably planted in and devoted to cotton production. The farmers who plant this land in cotton lose money by so doing.

If the Department of Agriculture can find a more economical use for this land, a profitable use, either in forage crops, grazing, forestry, or any diversified purposes, no doubt the owners thereof will quickly change the use of this land from unprofitable cotton production to this more profitable purpose. The result will be that 15,000,000 acres of land now planted in cotton, which produces about one-fifth of a bale per acre, or 3,000,000 bales, will be withdrawn from the total acreage devoted to cotton production, which will leave only about 32,000,000 acres planted in cotton, and our annual cotton production will be reduced 3,000,000 bales, thus, to some extent at least, solving the cotton overproduction problem.

Section (f) of the bill provides for the determination of the most effective and economical plans for the correlation of agricultural researches, investigations, experiments, and tests; and to promote local, regional, and national agricultural research programs within the Department of Agriculture, with other Federal departments, with State agricultural experiment stations, and with other agencies.

This will result in preventing duplication and the concentration of the \$30,000,000 now annually devoted to agricultural research on the major problems confronting agriculture and a completion of such research in a definite period of time, accomplishing with any given amount for research of at least one-fourth more in results than under the present system.

Mr. Speaker and colleagues, all of the above-mentioned bills and pleas for continued appropriations are in the interest of agriculture. I procured this limited time and the privileges granted by the rules of the House to extend my remarks for the purpose of placing each of the above bills in its true light before you so that during the vacation you could devote some time to their consideration, analyze them, criticize them, suggest amendments, or if you think it better, write new bills covering all subjects discussed, and if they meet the problems better, I will support them. I have no pride of authorship, and I do not

seek public applause. I am intensely interested in the present and future prosperity of the agriculture of my country.

If you take a retrospective view of the vast and dreary solitudes of past ages and read the epitaph inscribed by history on the tombs of fallen nations, you will find that no nation ever crumbled to ruin that had maintained a prosperous agricultural interest. You will find that no nation ever gained prestige, power, and prosperity that did not have its foundation laid upon a prosperous agricultural interest. Agriculture is the foundation upon which all financial business and industrial enterprises rest, yea, even civilization itself. It must be nurtured, encouraged, maintained, and conserved, if our nation is to hold its exalted position among the nations of the earth.

The SPEAKER. The time of the gentleman from Texas has expired.

Mr. SNELL. The gentleman can ask leave to extend.

Mr. POUL. Mr. Speaker, I ask unanimous consent that the gentleman may proceed for five minutes more.

Mr. BUCHANAN. I spoke to the Speaker yesterday as to the amount of time I would use this morning in addressing the House. I have used the amount agreed upon and I do not think that I should transgress that understanding. I accept the suggestion of the gentleman from New York [Mr. SNELL] to ask leave to extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

#### SIXTH PAN AMERICAN CHILD CONGRESS AT LIMA, PERU

Mrs. OWEN. Mr. Speaker, I ask unanimous consent to take from the Speaker's table House Joint Resolution 270, with a Senate amendment, disagree to the Senate amendment, and ask for a conference.

The SPEAKER. The Clerk will report the House joint resolution.

The Clerk read as follows:

Joint resolution (H. J. Res. 270) authorizing an appropriation to defray the expenses of the participation of the Government in the Sixth Pan American Child Congress, to be held at Lima, Peru, July, 1930.

The SPEAKER. Is there objection?

There was no objection; and the Speaker announced as the conferees on the part of the House Mr. TEMPLE, Mr. FISH, and Mr. LINTHICUM.

#### MESSAGE FROM THE PRESIDENT

Sundry messages in writing from the President of the United States were communicated to the House by Mr. Latta, one of his secretaries, who also informed the House that on the following dates the President approved and signed bills and joint resolutions of the House of the following titles:

On May 9, 1930:

H. R. 5283. An act to declare valid the title to certain Indian lands;

H. R. 7395. An act to extend to Government postal cards the provision for defacing the stamps on Government-stamped envelopes by mailers;

H. R. 8052. An act authorizing the heirs of Elijah D. Myers to purchase land in section 7, township 28 south, range 11 west, Willamette meridian, county of Coos, State of Oregon;

H. R. 8650. An act to authorize the Postmaster General to charge for services rendered in disposing of undelivered mail in those cases where it is considered proper for the Postal Service to dispose of such mail by sale or to dispose of collect-on-delivery mail without collection of the collect-on-delivery charges or for a greater or less amount than stated when mailed;

H. R. 8713. An act granting land in Wrangell, Alaska, to the town of Wrangell, Alaska;

H. R. 8763. An act to authorize the Secretary of the Interior to investigate and report to Congress on the advisability and practicability of establishing a national park to be known as the Apostle Islands National Park in the State of Wisconsin, and for other purposes; and

H. R. 10581. An act to provide for the addition of certain lands to the Yosemite National Park, Calif., and for other purposes.

On May 12, 1930:

H. J. Res. 188. Joint resolution authorizing the use of tribal funds belonging to the Yankton Sioux Tribe of Indians in South Dakota to pay expenses and compensation of the members of the tribal business committee for services in connection with their pipestone claim;

H. R. 389. An act for the relief of Kenneth M. Orr;

H. R. 973. An act to remove the age limit of persons who may be confined at the United States industrial reformatory at Chillicothe, Ohio;

H. R. 2161. An act to convey to the city of Waltham, Mass., certain Government land for street purposes;

H. R. 5726. An act authorizing the Secretary of the Navy, in his discretion, to deliver to the custody of the city of Salem, Mass., and to the Salem Marine Society, of Salem, Mass., the silver service set and bronze clock, respectively, which have been in use on the cruiser *Salem*;

H. R. 6645. An act authorizing the Secretary of the Navy, in his discretion, to deliver to the president of the Lions Club, of Shelbyville, Tenn., a bell of any naval vessel that is now, or may be, in his custody; and to the president of the Rotary Club of Shelbyville, Tenn., a steering wheel of any naval vessel that is now, or may be, in his custody;

H. R. 8973. An act authorizing the Secretary of the Navy, in his discretion, to deliver to the custody of the Charleston Museum, of Charleston, S. C., the ship's bell, plaque, war record, and silver service of the cruiser *Charleston* that is now, or may be, in his custody;

H. R. 1444. An act for the relief of Marmaduke H. Floyd;

H. R. 3527. An act to authorize credit in the disbursing accounts of certain officers of the Army of the United States for the settlement of individual claims approved by the War Department; and

H. R. 10674. An act authorizing payment of six months' death gratuity to beneficiaries of transferred members of the Fleet Naval Reserve and Fleet Marine Corps Reserve who die while on active duty.

On May 13, 1930:

H. J. Res. 244. Joint resolution authorizing the President to invite the States of the Union and foreign countries to participate in the International Petroleum Exposition at Tulsa, Okla., to be held October 4 to October 11, 1930, inclusive;

H. R. 707. An act to authorize an appropriation for construction at Fort McKinley, Portland, Me.;

H. R. 9434. An act to extend the times for commencing and completing the construction of a bridge across the Columbia River at or near Arlington, Ore.;

H. R. 9758. An act to authorize the Commissioners of the District of Columbia to close certain portions of streets and alleys for public-school purposes;

H. R. 10258. An act to extend the times for commencing and completing the construction of a bridge across the Ohio River at or near Cannelton, Ind.;

H. R. 11046. An act to legalize a bridge across the Hudson River at Stillwater, N. Y.;

H. R. 11780. An act granting the consent of Congress to Louisville & Nashville Railroad Co. to construct, maintain, and operate a railroad bridge across the Ohio River at or near Henderson, Ky.;

H. R. 7410. An act to establish a hospital for defective delinquents;

H. R. 7413. An act to amend an act providing for the parole of United States prisoners, approved June 25, 1910, as amended;

H. R. 9235. An act to authorize the Public Health Service to provide medical service in the Federal prisons;

H. R. 10474. An act granting the consent of Congress to the Arkansas State Highway Commission to construct, maintain, and operate a free highway bridge across the White River at or near Sylamore, Ark.;

H. R. 1301. An act for the relief of Julius Victor Keller;

H. R. 2902. An act to authorize the sale of the Government property acquired for a post-office site in Binghamton, N. Y.;

H. R. 3246. An act to authorize the sale of the Government property acquired for a post-office site in Akron, Ohio;

H. R. 4198. An act to authorize the exchange of certain lands adjoining the Catoosa Springs (Ga.) Target Range;

H. R. 8578. An act to sell the present post-office site and building at Dover, Del.;

H. R. 8805. An act to authorize the acquisition for military purposes of land in the county of Montgomery, State of Alabama, for use as an addition to Maxwell Field;

H. R. 8918. An act authorizing conveyance to the city of Trenton, N. J., of title to a portion of the site of the present Federal building in that city;

H. R. 9324. An act to dedicate for street purposes a portion of the old post-office site at Wichita, Kans.;

H. R. 9407. An act to amend the act of Congress approved May 29, 1928, authorizing the Secretary of the Treasury to accept title to certain real estate, subject to a reservation of mineral rights in favor of the Blackfeet Tribe of Indians; and

H. R. 10651. An act to extend the times for commencing and completing the construction of a bridge across the Ohio River at or near Wellsburg, W. Va.

On May 14, 1930:

H. R. 3717. An act to add certain lands to the Fremont National Forest in the State of Oregon;

H. R. 6874. An act to authorize exchanges of lands with owners of private-land holdings within the Petrified Forest National Monument, Ariz.;

H. R. 9895. An act to establish the Carlsbad Caverns National Park in the State of New Mexico, and for other purposes;

H. R. 645. An act for the relief of Lyman Van Winkle;

H. R. 6564. An act making appropriations for the Department of the Interior for the fiscal year ending June 30, 1931, and for other purposes;

H. R. 7832. An act to reorganize the administration of Federal prisons; to authorize the Attorney General to contract for the care of United States prisoners; to establish Federal jails, and for other purposes;

H. R. 8299. An act authorizing the establishment of a national hydraulic laboratory in the Bureau of Standards of the Department of Commerce and the construction of a building therefor;

H. R. 8562. An act to extend the times for commencing and completing the construction of a bridge across the Missouri River at or near Randolph, Mo.;

H. R. 9437. An act to authorize a necessary increase in the White House police force; and

H. R. 1793. An act for the relief of Albert L. Loban.

On May 15, 1930:

H. R. 4138. An act to amend the act of March 2, 1929, entitled "An act to enable the mothers and widows of the deceased soldiers, sailors, and marines of the American forces now interred in the cemeteries of Europe to make a pilgrimage to these cemeteries";

H. R. 8368. An act providing for a study regarding the construction of a highway to connect the northwestern part of the United States with British Columbia, Yukon Territory, and Alaska in cooperation with the Dominion of Canada; and

H. R. 8531. An act making appropriations for the Treasury and Post Office Departments for the fiscal year ending June 30, 1931, and for other purposes.

On May 16, 1930:

H. R. 6338. An act authorizing the erection of a sanitary fire-proof hospital at the National Home for Disabled Volunteer Soldiers at Togus, Me.;

H. R. 9325. An act to authorize the United States Veterans' Bureau to pave the road running north and south immediately east of and adjacent to Hospital No. 90, at Muskogee, Okla., and to authorize the use of \$4,950 of funds appropriated for hospital purposes, and for other purposes;

H. R. 7069. An act for the relief of the heirs of Viktor Petterson;

H. R. 156. An act to authorize the disposal of public land classified as temporarily or permanently unproductive on Federal irrigation projects;

H. R. 1954. An act for the relief of A. O. Gibbens; and

H. R. 9845. An act to authorize the transfer of Government-owned land at Dodge City, Kans., for public-building purposes.

On May 19, 1930:

H. R. 1794. An act to authorize the payment of an indemnity to the owners of the British steamship *Kyleakin* for damages sustained as a result of a collision between that vessel and the U. S. S. *William O'Brien*;

H. R. 9850. An act to extend the times for commencing and completing the construction of a bridge across the Ohio River at or near New Martinsville, W. Va.;

H. R. 10248. An act to extend the times for commencing and completing the construction of a bridge across the Ohio River at or near Moundsville, W. Va.;

H. R. 11588. An act granting pensions and increase of pensions to certain soldiers and sailors of the Civil War and certain widows and dependent children of soldiers and sailors of said war;

H. R. 668. An act for the relief of A. J. Morgan; and

H. R. 7768. An act to provide for the sale of the old post office and courthouse building and site at Syracuse, N. Y.

On May 21, 1930:

H. R. 1251. An act for the relief of C. L. Beardsley;

H. R. 7405. An act to provide a 5-year construction and maintenance program for the United States Bureau of Fisheries;

H. R. 10171. An act providing for the erection at Clinton, Sampson County, N. C., of a monument in commemoration of William Rufus King, former Vice President of the United States; and

H. R. 8154. An act providing for the lease of oil and gas deposits in or under railroad and other rights of way.

On May 22, 1930:

H. R. 10579. An act to provide for the erection of a marker or tablet to the memory of Col. Benjamin Hawkins at Roberta, Ga., or some other place in Crawford County, Ga.

On May 23, 1930:

H. R. 1234. An act to authorize the Postmaster General to impose demurrage charges on undelivered collect-on-delivery parcels;

H. R. 9323. An act granting pensions and increase of pensions to certain soldiers and sailors of the Regular Army and Navy, etc., and certain soldiers and sailors of wars other than the Civil War, and to widows of such soldiers and sailors; and

H. J. Res. 327. Joint resolution authorizing the presentation of medals to the officers and men of the Byrd Antarctic expedition.

On May 26, 1930:

H. R. 9843. An act to enable the Secretary of War to accomplish the construction of approaches and surroundings, together with the necessary adjacent roadways, to the Tomb of the Unknown Soldier in the Arlington National Cemetery, Va.;

H. R. 7390. An act to authorize the appointment of an Assistant Commissioner of Education in the Department of the Interior;

H. R. 7962. An act to extend the times for commencing and completing the construction of a bridge across the Ohio River at Mound City, Ill.;

H. R. 9805. An act to extend the times for commencing and completing the construction of a bridge across the Ohio River at Cairo, Ill.;

H. R. 9939. An act authorizing the Secretary of the Interior to lease any or all of the remaining tribal lands of the Choctaw and Chickasaw Nations for oil and gas purposes, and for other purposes;

H. R. 10340. An act granting the consent of Congress to the State Highway Commission of Arkansas to construct, maintain, and operate a toll bridge across the White River at or near Calico Rock, Ark.; and

H. R. 11196. An act to extend the times for commencing and completing the construction of a bridge across the White River at or near Clarendon, Ark.

On May 27, 1930:

H. R. 4293. An act to provide for a ferry and a highway near the Pacific entrance of the Panama Canal;

H. R. 6807. An act establishing two institutions for the confinement of United States prisoners;

H. R. 7412. An act to provide for the diversification of employment of Federal prisoners, for their training and schooling in trades and occupations, and for other purposes;

H. R. 7491. An act making appropriations for the Department of Agriculture for the fiscal year ending June 30, 1931, and for other purposes; and

H. R. 8574. An act to transfer to the Attorney General certain functions in the administration of the national prohibition act, to create a Bureau of Prohibition in the Department of Justice, and for other purposes.

#### MUSCLE SHOALS

Mr. SNELL. Mr. Speaker, by direction of the Committee on Rules I call up the privileged Resolution No. 222.

The SPEAKER. The gentleman from New York calls up House Resolution 222, which the Clerk will report.

The Clerk read as follows:

#### House Resolution 222

*Resolved*, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of S. J. Res. 49, to provide for the national defense by the creation of a corporation for the operation of the Government properties at and near Muscle Shoals in the State of Alabama, and for other purposes. That after general debate, which shall be confined to the joint resolution and shall continue not to exceed three hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Military Affairs, the joint resolution shall be read for amendment under the 5-minute rule. At the conclusion of the reading of the joint resolution for amendment the committee shall rise and report the joint resolution to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the joint resolution and the amendments thereto to final passage without intervening motion except one motion to recommit.

Mr. SNELL. Mr. Speaker, by direction of the Committee on Rules, I offer an amendment.

The SPEAKER. The gentleman from New York offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. SNELL: After the period in line 13, insert the following: "It shall be in order to consider without the intervention of a point of order, as provided in clause 7 of Rule XVI, a substi-

tute committee amendment recommended by the Committee on Military Affairs, now in the bill, and as a substitute for the purpose of amending it shall be considered under the 5-minute rule as an original bill.

Mr. HOWARD. Mr. Speaker, will the gentleman yield?

Mr. SNELL. I do not yield at this time.

Mr. HOWARD. Mr. Speaker, I make a point of order. I rise to a question of personal privilege.

The SPEAKER. The gentleman will state it.

Mr. HOWARD. The personal privilege is this, that "the gentleman from Nebraska" has employed all due diligence to get the eye and ear of the Speaker in order to ask permission to lodge an objection to the unanimous-consent request as to this debate.

The SPEAKER. The objection is overruled.

Mr. GARNER. Mr. Speaker, will the gentleman yield for a question?

Mr. SNELL. For a question, I will.

Mr. GARNER. As I understand, the purport of the amendment is to consider the amendment reported by the Committee on Military Affairs as an original bill?

Mr. SNELL. That is all.

Mr. GARNER. So that the motion to recommit with an amendment would be like an original bill?

Mr. SNELL. It certainly would, so far as its consideration is concerned. The reason for the amendment of the resolution is this: As the House knows, the Committee on Military Affairs struck out all after the enacting clause of the Senate joint resolution and practically wrote a new bill.

There is a serious question whether the new bill, which is considered as an amendment, would be considered as germane to the original proposition. Personally, I think it would be; and I think it would be considered all right; but there are different rulings on this very proposition, and we do not want to be confronted with a point of order even before we get started, and by this amendment we have removed even that possibility. The committee wants to give everyone a fair opportunity to express himself, and offer any germane amendment. Furthermore, if we did not provide for considering it as an original bill, you would have to read the entire bill as one amendment, and after the reading any Member could offer at any time an amendment to any part of the bill, which would lead only to confusion; whereas if we make it in order to be considered as an original bill, it can be read section by section, and we will proceed in an orderly manner and as usual in the consideration of a bill.

Mr. LA GUARDIA. Mr. Speaker, will the gentleman yield?

Mr. SNELL. Yes.

Mr. LA GUARDIA. If it is considered as one amendment, will the committee have an opportunity to vote on the committee amendment as an amendment? This amendment will preclude the opportunity to vote on this bill after the amendment of the Senate bill?

Mr. SNELL. I do not see that it interferes at all. If you want to strike out and substitute something else, this leaves it absolutely open.

Mr. GARNER. If the House should vote down this amendment after it has been amended and discussed under the 5-minute rule as an original bill—if it is voted down—the original bill will be in order?

Mr. SNELL. If they vote down the committee amendment, the Norris resolution will be before the House.

Mr. GARNER. If you consider it as an original proposition, then a motion to recommit and substitute the Norris bill will be in order?

Mr. SNELL. That has not been considered and will be for the Speaker to decide.

Mr. GARNER. Then the only thing to do would be to make a motion to recommit, unless you voted down the amendment itself?

Mr. SNELL. The germaneness of the other proposition would be up to the Speaker to determine—not for me.

Mr. TILSON. Would not voting down the amendment reported by the Military Affairs Committee be tantamount to voting up the Norris bill?

Mr. GARNER. It might be so considered.

Mr. TILSON. There would have to be a formal vote.

Mr. GARRETT. Regardless of whether we vote it up or down, we are now considering the Norris bill as amended by the Committee on Military Affairs. Both are before the House, but the Norris bill is stricken out. At the conclusion of the consideration of the measure now before the House, would it be in order, before the final vote on the amendment as offered by the Committee on Military Affairs, to offer a motion to recommit, striking out all after the enacting clause and inserting a bill providing both for the leasing of Muscle Shoals, and in event

a lease is not made within a fixed time, to proceed with the operation of Muscle Shoals under the Government plan?

Mr. SNELL. The question of the germaneness of that motion would be up to the Speaker of the House to decide, and not up to me at the present time.

Mr. GARRETT. That is the crux of the whole thing.

Mr. SNELL. This does not interfere with that one way or the other. It has nothing to do with a motion to recommit. It does not affect it one way or the other.

Mr. BANKHEAD. Will the gentleman yield for a brief statement?

Mr. SNELL. I yield.

Mr. BANKHEAD. There is nothing complicated, as I understand it, about this amendment to the rule. It was only offered by the chairman of the Committee on Rules at a meeting this morning in order to absolutely amplify and guarantee full and free and open discussion of the amendment offered by the Committee on Military Affairs, as though it were an original bill before the House, under the 5-minute rule. The amendment to the rule in no way changes the consideration of the bill under the original rule. It places no restrictions or limitations upon the right of any Member, under the original rule, to offer a motion to recommit or a germane amendment. It simply makes for the orderly consideration of the House bill under the 5-minute rule, section by section, so that we may take the committee bill up and read the first section in order and offer amendments to that, instead of allowing amendments to be offered to any section of the bill as one independent amendment. As I say, that is the whole proposition.

Mr. CRISP. Will the gentleman yield?

Mr. SNELL. I yield.

Mr. CRISP. The effect of the amendment proposed by the Committee on Rules, in my judgment, is to give more liberal consideration of the measure before the House, for, without it, if it is considered under the original rule, the amendment proposed by the Committee on Military Affairs would be an amendment to which only one amendment could be pending at a time. This amendment treating it as an original bill opens it up for the four amendments allowed under the rules.

Mr. SNELL. That is exactly the idea the committee had in mind.

The SPEAKER. The Chair thinks he should state his understanding in order that there may be no misunderstanding as to the parliamentary situation. As the Chair understands it, the effect of the amendment is that the bill shall be considered in the Committee of the Whole as an original bill. However, after the committee rises, and the House votes in favor of the committee amendment and adopts it, in the opinion of the Chair, a motion to recommit which would change the language of the amendment would not be in order. This is the Chair's understanding of the situation.

Mr. GARRETT. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. GARRETT. Under the amended rule, as suggested by the chairman of the Committee on Rules, may I inquire, before the bill gets into the House to be considered by the Committee of the Whole House, would a motion be in order, under the amended resolution, to strike out the whole matter before the House and make substitution of a bill taking on the form of both a lease and operation by the Government?

The SPEAKER. The Chair does not think he should express an opinion on that, because that will be in the jurisdiction of the chairman of the Committee of the Whole. That is not a matter for the Chair to decide.

Mr. HILL of Alabama. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. HILL of Alabama. After the committee bill has been read in the Committee of the Whole for amendment, then does not the vote recur automatically on the adoption of the committee bill as amended?

The SPEAKER. Yes.

Mr. HILL of Alabama. Does that also come up in Committee of the Whole, or just in the House?

The SPEAKER. The Chair does not understand the gentleman from Alabama.

Mr. HILL of Alabama. In other words, after the committee bill has been read for amendment in the Committee of the Whole and we have reached the end of that bill and voted on all of the amendments proposed to the bill, then does the question come up in the Committee of the Whole as to agreeing to the committee bill as an amendment to the Senate bill?

The SPEAKER. Yes; the question would be on agreeing to the substitute amendment in the bill as amended.

Mr. LA GUARDIA. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. LAGUARDIA. In the event a separate vote is asked in the House, and the committee amendment is voted down, then, of course, the Senate bill would be before the House?

The SPEAKER. That is correct. The effect of the vote, in the event the committee amendment is defeated, is exactly the same as a motion to recommit.

Mr. LAGUARDIA. Then, according to the Speaker's ruling, if that should happen, a motion to recommit and report forthwith, with the committee amendment, would likewise not be in order?

The SPEAKER. Any motion to recommit which does not change the language of the amendment adopted is in order, provided it does not seek to do by indirection what can not be done directly.

Mr. QUIN. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. QUIN. Does the amendment offered by the gentleman from New York [Mr. SNELL] alter the parliamentary situation?

The SPEAKER. It simply makes it in order to consider the House committee amendment as an original bill, in Committee of the Whole. The Chair thinks it is very proper parliamentary procedure. It facilitates the transaction of business.

Mr. LAGUARDIA. For the purpose of discussion only?

The SPEAKER. For the purpose of discussion and amendment.

Mr. OLIVER of Alabama. Will the gentleman yield?

Mr. SNELL. I yield.

Mr. OLIVER of Alabama. Suppose that in the Committee of the Whole amendments are adopted to the bill reported by the Committee on Military Affairs, could a separate vote be demanded on those amendments when the bill is reported back to the House?

The SPEAKER. The Chair thinks not, because under the parliamentary situation only one amendment will be reported to the House. It will be considered as one amendment, whether amended in committee or not.

Mr. OLIVER of Alabama. That would not be carrying out the spirit of the rule as announced by the chairman of the Committee on Rules, since his statement was that it was the purpose of the Rules Committee to consider the report of the Military Affairs Committee as an original bill.

Mr. SNELL. For the purpose of consideration in the Committee of the Whole.

The SPEAKER. It would not alter the consideration of the bill at all after the bill gets into the House.

Mr. SNELL. Mr. Speaker, I ask a vote on the amendment.

The SPEAKER. The question is on agreeing to the amendment offered by the gentleman from New York [Mr. SNELL].

Mr. RANKIN. Mr. Speaker, may we have the amendment reported again?

The Clerk again reported the amendment.

The SPEAKER. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. SNELL. Mr. Speaker, the question of Muscle Shoals has been before the House for a great many years. To-day we have a definite proposition before us. The Senate joint resolution provides for Government operation of our plant at Muscle Shoals. The Military Affairs Committee of the House has stricken out all after the enacting clause of that joint resolution and inserted a provision which gives authority to the President of the United States, between now and December 1, 1931, to make a lease, under certain conditions, for the property we now own at Muscle Shoals. The question for this House to determine is whether it wants to do that or whether it wants to provide for Government operation of that property.

We have had several propositions before the House in which the House itself tried to write a lease and provide for all of the various individual propositions and reservations which should enter into a lease of that character. Gentleman of the House, it is absolutely impossible to write a lease on the floor of this House for a property of this character. It just can not be done, and we ought to know it by this time. If you want to lease it, the only way to do is to give the authority to the President of the United States, through some commission which he may set up, and let him take the responsibility of making the lease. In my judgment, the Military Affairs Committee of the House has given careful attention to this bill. They have brought forward for consideration a bill that is carefully worked out. It is a practical solution. The rights of the people are properly taken care of; it does not take any more money out of the Treasury; and, in general, it is the best bill that has ever been before us and should receive our approval.

At this time I do not intend to discuss the provisions of the bill, because individual Members are going to discuss the bill

section by section. I think that is better than any general statement by me at this time.

Mr. GARRETT. Will the gentleman yield?

Mr. SNELL. Yes.

Mr. GARRETT. Is it the purpose of the gentleman to have as liberal discussion of this bill under the 5-minute rule as possible?

Mr. SNELL. There will be no objection to that, as far as I am concerned.

Mr. GARRETT. The reason I ask that question is that many Members would like to speak in connection with a proposition of this size, and the limited time provided in this rule embarrasses those in charge of the time. I was wondering if we might have some sort of a general understanding that those who can not get time in general debate may get such time under the 5-minute rule as would put them somewhat on an equality with those who secure time in general debate.

Mr. SNELL. There has been no suggestion made to me that we try to curtail the consideration of this bill. I want the House to have the fullest opportunity to discuss it and consider it and let the House do as it thinks best. It is an important proposition, it should be decided by the House what we want to do with this property without further delay.

Mr. OLIVER of Alabama. I appreciate the attitude of the gentleman and I am sure he evidences the attitude of the Committee on Rules in stating that he wants the House to have full and fair opportunity to consider this bill and offer amendments thereto, but in view of the ruling which the Speaker has just announced my opinion is that Members will be very much restricted in offering amendments.

Mr. SNELL. No more restricted than they are under the general rules of the House.

Mr. OLIVER of Alabama. There are some provisions which the Senate has passed on which some Members of the House desire to have an expression on by the House. Since that is true, the Committee on Rules should consider liberalizing the rule so as to make it possible to offer provisions of the Senate bill as amendments to this bill, otherwise you will not make effective the right to offer important amendments, and then you would thwart your desire that the House have full opportunity to consider this bill.

Mr. SNELL. When the Committee on Rules brings in a rule providing for the consideration of a bill under the general rules of the House I think the committee has gone as far as it should go and as far as it has ever gone. I do not remember that any rule has ever been brought in which provided for consideration different than that provided for under the general rules.

Mr. OLIVER of Alabama. The Rules Committee could make in order—

Mr. SNELL. Any amendment a Member might desire to offer?

Mr. OLIVER of Alabama. Well, you should make in order parts of the bill now pending before the House and which this bill seeks to amend. The committee could provide that the Senate bill might be considered as germane for the purpose of offering amendments in the Committee of the Whole, and surely that would not be a dangerous precedent.

Mr. SNELL. I think it would be a dangerous precedent to establish, and one I should not approve only under extreme circumstances.

Mr. DAVIS. Will the gentleman yield?

Mr. SNELL. Yes.

Mr. DAVIS. If the House bill should be adopted as an amendment in the form of a substitute for the Senate bill and then an amendment or a motion to recommit should be offered, providing that, if a lease should not be made under the provisions of the Reece bill, the Senate bill should become effective, does the gentleman think that a point of order would lie against such an amendment or such a motion?

Mr. SNELL. That is a question for the Speaker to decide and not for the chairman of the Rules Committee, and I would not want to assume that authority at the present time.

Mr. DAVIS. As the gentleman has offered an amendment making the House bill—

Mr. SNELL. That in no way affects the gentleman's proposition.

Mr. DAVIS. But I was just going to state this proposition: As the gentleman has offered an amendment making the House bill in order without the intervention of a point of order, whereas otherwise a point of order on the ground it was not germane would lie, why would it not be equally proper to amend the rule so as to provide that an amendment or a motion to recommit, such as I have suggested, would be in order without the intervention of a point of order?

Mr. SNELL. You will reach exactly the same effect by voting up or down the committee amendment. If you vote down the committee amendment, you have voted up the Norris resolution, and if you vote up the committee amendment you have voted down the Norris resolution. It produces exactly the same result and accomplishes the same purpose.

Mr. DAVIS. But that still does not give us an opportunity to vote upon the alternative proposition.

Mr. SNELL. It seems to me it does. I do not see why it does not.

Mr. OLIVER of Alabama. Will the gentleman yield?

Mr. SNELL. Yes.

Mr. OLIVER of Alabama. I think if we are to get legislation at this session Members of the House and Senate must understand that this legislation is a give-and-take proposition. You can not, with the House stubbornly insisting on one thing and the Senate another, ever reach any agreement at this session; and, to avoid this, I feel the Committee on Rules should see the wisdom of encouraging a conservative attitude on the part of Members in the discussion of this important subject, so that we may at least provide the basis of an agreement between Senate and House at this session. If the only alternative is to vote down what the Committee on Military Affairs of the House has reported and vote down the Senate proposition, then you have reached, I fear, a point where you can not impliedly instruct your conferees to enter the conference in a fair spirit of give and take.

Mr. SNELL. As a matter of fact, on one hand, we have a Government-operation proposition, and, on the other hand, a leasing proposition; and it is up to the House to decide which one they want.

Mr. OLIVER of Alabama. We might as well be perfectly frank about this—

Mr. SNELL. Certainly. I have nothing to conceal about the matter so far as I am concerned.

Mr. OLIVER of Alabama. The members of the Committee on Military Affairs were quite free when they first came to consider this bill to say that it might be well to give consideration to the Senate bill as an alternate plan. Some Members who are confident that this measure, reported by the House Military Affairs Committee, is all right—and I think the gentleman has expressed that view—yet there are others who doubt that it will work, and they desire to be privileged to offer the Senate bill as an alternate plan, yet under the rule the gentleman now offers that question can not probably be considered.

Mr. SNELL. I do not want the gentleman to take up all my time. I have been very generous in yielding to the gentleman.

Mr. CRISP. Will the gentleman yield for a question?

Mr. SNELL. Yes.

Mr. CRISP. I want to ask the gentleman a parliamentary question, because a good many of the Members have asked me about it since an amendment to the rule has been adopted. Of course, there are many men on this side who will desire to offer an amendment to the Reece amendment, providing the alternate proposition of the Norris resolution. I am not asking the gentleman to express any opinion as to the parliamentary situation with respect to whether that would be in order or not, and neither would I ask the Speaker, but I do want to ask the gentleman this question: It was not the intention of the Committee on Rules in offering the amendment providing that the Reece amendment should be considered in the Committee of the Whole as an original bill to in any way curtail germane amendments that might have been offered to the Reece amendment if it were considered in the Committee of the Whole as one amendment?

Mr. SNELL. The purpose was exactly the opposite of that. The purpose was to open it up and give more liberal opportunity for amendment.

Mr. CRISP. I did not think the gentleman had that intention, and I asked the question simply to clarify the question.

Mr. SNELL. There is absolutely no question about that.

Mr. CRISP. And any amendment to the original amendment that would have been germane if the amendment to the rule had not been offered would be germane now?

Mr. SNELL. Yes.

Mr. CRISP. I think so, too.

Mr. SNELL. This is to give more liberal consideration of the amendment.

Mr. LAGUARDIA. Will the gentleman yield for a question on the rule?

Mr. SNELL. Yes.

Mr. LAGUARDIA. We all see the necessity of discussion of this very important measure. Would the gentleman permit the offering of an amendment making the time of general debate six hours instead of three hours?

Mr. SNELL. No; I would rather have you take up more time under the 5-minute rule.

I reserve the balance of my time, Mr. Speaker.

Mr. Speaker, I yield 30 minutes to the gentleman from Alabama [Mr. BANKHEAD].

Mr. BANKHEAD. I yield eight minutes to the gentleman from Alabama [Mr. ALMON].

Mr. ALMON. Mr. Speaker, while Muscle Shoals is in the district which I have the honor to represent, still it is not a local development. It belongs to the people of the Nation, and each of you has the same interest in it that I have.

I shall support a number of amendments which I am expecting will be offered and hope the same will be adopted. Unless something better than this bill is offered by way of amendment or motion to recommit, I will probably vote for the same, not because it suits me in all respects but in order to send it to conference with the hope and expectation that it will be very much improved and that the conferees' report will be adopted and that these plants which have been idle since the World War ended will be placed in operation, and a large number of those who are unemployed will be given employment. The nitrate plants and the hydroelectric development at Muscle Shoals, as you will see from those pictures, constitute one unit. The dam and power house were constructed to generate power with which to operate the nitrate plants.

It has been the policy of the Committee on Military Affairs of the House in all bills providing for the leasing of this property to make one lease of the power development and the fertilizer plants. This bill provides for one or more leases of this property, and, personally, I would like to see the Government retain the hydroelectric development and lease the plants, provided a satisfactory lease could be secured, one that would be fair to the Government and the farmers; but the indications are that this can not be accomplished at this time. I would like to see the bill amended so as to bind the lessee to manufacture fertilizer on a basis that will soon increase the production from 10,000 tons to 40,000 tons annually. I also think the bill should be amended so as to make certain that the nitrate plants at Muscle Shoals be used in the manufacture of fertilizer, and would like to see the bill amended so that any contract for surplus power that might be leased to any power company be canceled on two years' notice if any municipality, county, or State should file application for the purchase of this power. The bill does prohibit the leasing of the power until the nitrate plants have been leased.

I have always thought that the Cove Creek Dam at the headwater of the Tennessee River should be constructed, owned, and operated by the Government for the reason that it is a storage dam, and I believe that it would be utilized more advantageously to prevent floods and improve navigation by the Government than by a lessee. However, I realize that the majority party is opposed to the construction of this dam by the Government, and in order that it may be developed I vote that it be built by the lessee with provision for supervision by the Government so that the stored water will be retained to prevent floods and when not needed for navigation, and that it will be released during the low-water stages of the river as it will practically double the power of all dams to the mouth of the river. I would also like to see the leasing board to be appointed by the President be confirmed by the Senate, and that it be made a permanent board instead of temporary, in order that the board might supervise the performance of any lease or leases that might be made.

I would also like to see the bill amended here or in conference so as to provide an alternative plan for Government operation in the event a lease or leases are not made within the stipulated time.

I think that December 31, 1931, is too long a time to give the leasing board to make leases of this property. It seems to me that six months' time after the bill has been passed and approved by the President is sufficient time in which to negotiate leases. This might be satisfactorily arranged in conference if it is not amended in the House.

In Germany and France the war nitrogen plants were placed in operation after the war for the benefit of agriculture, some owned and operated by the Government and some by private capital. They have been so successful that Germany no longer imports Chilean nitrates but has become a large exporter of nitrates and fertilizer. We are importing it into this country. Since 1880 there has been imported into the United States 21,923,471 long tons of Chilean nitrate, for which there was paid \$857,595,089; and, in addition thereto, an export tax to the Chilean Government of \$12.53 per long ton, which amounted to \$274,691,091. The most of this Chilean nitrate was bought and paid for by the farmers for fertilizer purposes.

In 1928 there was imported 1,018,183 long tons of nitrate of soda at a cost of \$36,261,894 and an additional sum of \$12,757,000 as an export tax.

The bill, as reported by the committee, expressly prohibits the leasing of any of the surplus power to a power company or anyone interested in or connected with a power company until after the demands of the municipalities, counties, States, and industries shall have been exhausted. I am especially in favor of such a provision.

Chile has had a monopoly of the world supply of natural nitrate of soda since the war of the Pacific when the nitrate Provinces of Bolivia and Peru were granted to Chile under the treaty of Ancon.

What Germany has done could and should be done in the United States by placing these nitrogen plants at Muscle Shoals in operation. [Applause.] This plant No. 2 at Muscle Shoals is one of the largest and the best air-nitrogen plants in the world and is the only one not in operation.

The use of the cyanamide process for the fixation of atmospheric nitrogen is the best process for a location like Muscle Shoals, where there is an abundance of cheap power. There was some propaganda sent out by selfish interests a few years ago to the effect that this plant was obsolete, but it was disproven and we no longer hear of such a claim.

I visited a plant like this, though not more than one-half the size, at Niagara Falls, Canada, two or three years ago, and found that it was being operated very successfully. Many plants in Europe are using this process very successfully. The synthetic process requires less power, but it is not being used in this country for agricultural purposes. The farmers use 7,000,000 tons of fertilizer annually in the United States in normal times. This plant has a capacity of about 40 per cent of that amount. It has been admitted by a representative of the Chilean Nitrate Corporation before one of the committees in Congress that if this Muscle Shoals plant was placed in operation it could manufacture nitrogen and nitrogenous fertilizer for about one-third to one-half cheaper than Chilean nitrate, and that the price it was sold for would control the price of Chilean nitrate, and in this way the farmers of the United States could be saved about one-half the price they are paying for Chilean nitrate. So the operation of this plant would not be in competition with anyone except the Chilean nitrate trusts.

The fertility of the soil in nearly all parts of our country is being depleted by continuous cropping and, hence, our farmers are forced to use fertilizer. They are required to pay more for fertilizer than they can afford to when you consider the price they receive for the crops raised by the use of fertilizer, so that the proper operation of this plant means real farm relief. The nitrate plants will be of no advantage for national defense unless operated in peace times. They would rust out and become obsolescent.

The SPEAKER. The time of the gentleman from Alabama has expired.

Mr. ALMON. My time has expired, but I shall have something more to say in regard to this measure when it is read for amendment under the 5-minute rule. [Applause.]

Mr. SNELL. Mr. Speaker, I yield 15 minutes to the gentleman from Arizona [Mr. DOUGLAS]. [Applause.]

Mr. DOUGLAS of Arizona. Mr. Speaker, ladies and gentlemen of the House, the task of explaining the provisions of the bill has been imposed upon me. I have not sought it. I shall attempt to give you as fair and honest a statement of what we consider to be the meaning of the language of the bill as it is possible for me to do. If I should make any mistakes, or if I should eliminate or not state any provision in the bill, I assure you that it will be inadvertently done.

Generally speaking, there have been two classes of proposals for the disposition of Muscle Shoals, which Congress has considered during the course of the last decade. The first class is that which involves the making of a legislative lease. The second class is that which provides for Government operation. The gentleman from New York [Mr. SNELL] has explained quite fully the difficulties of drafting and negotiating a legislative lease.

The Committee on Military Affairs felt that every effort had not been exhausted to effect a lease. Therefore, it was not willing to advocate Government operation, and so it sought a third method of disposing of Muscle Shoals, namely, an authorization for a lease. I ask the Members of the House in criticizing the bill to bear the following distinction in mind. A lease should be drawn in such language as to meet all possible eventualities, and so as to state definitely the terms and limitations under which the lessee must operate. An authorization for a lease is something different. It is something which merely directs some one else to draft and negotiate a lease. It, in itself, does not

purport to be a lease. So that in cases in which the language of this bill is rather broad, bear in mind that it does not purport to be a lease. It is nothing more or less than a direction to somebody else to make a lease and to redraft into legal language the general principles and provisions enumerated in the direction.

Mr. OLIVER of Alabama. The legal significance would be this, that it is a power of attorney to agents of the Congress to do certain things.

Mr. DOUGLAS of Arizona. Exactly. If Members of the House will bear that distinction in mind, I think that certain doubts which have arisen may possibly be cleared away.

When one bears in mind the various conflicting opinions with respect to the disposal of Muscle Shoals, one will have some conception of the difficulties which have been in the way of the Committee on Military Affairs in its attempt to draft legislation which will adequately take care of any disposition of the properties. Bear in mind that there are some Members of the House who feel that this property should be utilized solely for the purpose of generating power, and, after it has been generated, for the distribution of that power. There are other Members of the House who feel that the property should be utilized solely for the production of fertilizer. There are other Members who feel there should not be one pound of fertilizer produced at Muscle Shoals. Then there are those who have felt, and I think quite properly, that in so far as the construction of the Cove Creek Dam is involved in the disposal of these properties the State of Tennessee has certain rights which should be recognized. Those different opinions in this House have created a situation which, I think, you will admit has been difficult to meet. And there is one further difficulty which is probably as great as the others, and possibly even greater. That is the changes which have in the past taken place, and which doubtless will take place in the future with respect to new scientific processes for the production of various commodities, and, in this particular case, the particular commodities which are to be produced at Muscle Shoals. No one on the floor of this House is able to prognosticate what will take place within the course of the next half decade. And so when one considers all those various factors, human as well as material, I think he will agree with me that the problem has not been an easy one.

The Committee on Military Affairs has drafted, as I have implied, a bill which authorizes somebody else to lease the Muscle Shoals property. There are several principles expressed in the language of the bill. The first one is that these properties at Muscle Shoals are to be dedicated, if the properties are as a matter of scientific fact adapted to it, to the production of fertilizer. If they are not adapted to the production of fertilizer, it seemed to the Committee on Military Affairs to be the height of folly to compel their utilization for an uneconomic purpose. If the properties be adapted to the production of fertilizer, then they are to be dedicated to that purpose. The provisions of the authorization with respect to fertilizer are as follows: If they are adapted, the lessee must produce annually a given amount, the amount to be determined by the leasing board, of fertilizer of a quality and character which can be applied immediately to the soil.

Secondly, it is provided that the lease must compel the lessee to produce within the first three and a half years an amount of fertilizer which shall contain a minimum of 10,000 tons of nitrogen. Thirdly, the lease must compel the lessee to produce fertilizer containing nitrogen in amounts equal to the maximum capacity of the plant. The increase in production is not to be at one time but is to be spread out over a period of years, so as to meet the market and economic conditions. And fourthly, it is provided that if the market and economic conditions are such as not to demand the production of fertilizer containing nitrogen in amounts equivalent to the maximum capacity of the plant, or any amount less than that, then there must be maintained in storage for sale fertilizer containing 2,500 tons of nitrogen.

I think that is a fair statement of the provisions in the bill respecting fertilizer. If I have made any mistake I hope I may be corrected.

Mr. WRIGHT. I call the gentleman's attention to subdivision (a) on page 24 of the bill. In the first part of this section it is provided that any contract as to the lease—

Of the United States properties adapted to the fixation of nitrogen in the manufacture of fertilizer bases or fertilizers in time of peace for sale for use in agriculture—

shall be of a character that can be applied to the soil and shall contain a provision that the lessee shall within three years and six months produce such fertilizers containing not less than 10,000 tons of fixed nitrogen and periodically there shall be an

increase, but you simply provide that this increase shall relate to nitrogen alone and not the character of fertilizer refined in the first part of the subdivision. Was that the intention of the committee, or was it the intention of the committee that the periodic increase would be a fertilizer of the kind required within the first three and a half years?

Mr. DOUGLAS of Arizona. I did not so construe the language of that first section. As I understand subsection (a)—and if there is any disagreement on the part of the committee with my understanding I wish it would be stated—the plants, if adapted to the production of fertilizer, shall be used. If they are adapted, the lessee must produce annually an amount of fertilizer containing nitrogen which can be applied immediately to the soil. The demand and market conditions have nothing to do with that proviso, but the amount is to be fixed by the board.

Mr. WRIGHT. The periodic increase shall be of the same kind of fertilizer?

Mr. DOUGLAS of Arizona. Not necessarily.

Mr. McSWAIN. Before the gentleman commits himself on that, will he let me make this observation?

Mr. DOUGLAS of Arizona. Yes.

Mr. McSWAIN. Was it not the intention of the committee that the periodic increases should consist of fertilizer, nitrogenous in character, and the word "nitrogen" was used there merely for the purpose of describing the increase? Would it not clarify the language and meet the objection, and would it not be a perfecting amendment, to say that there shall be such periodic increase in fertilizer bases rather than in fixed nitrogen?

Mr. DOUGLAS of Arizona. I agree with the gentleman in his interpretation of the language. If one limited it to fertilizer and did not prescribe that a certain amount of nitrogen should be in the fertilizer, then it would be possible under the language of the amendment to produce a fertilizer containing no nitrogen at all.

Mr. McSWAIN. Or it may be a fertilizer having a ridiculously low minimum of nitrogen?

Mr. DOUGLAS of Arizona. Yes.

Mr. McSWAIN. It is my purpose to offer an amendment to strike out the "fixed nitrogen" and insert "such fertilizer bases or fertilizer."

Mr. DOUGLAS of Arizona. I think there is an understanding between us with respect to interpretation.

Mr. GARRETT. Mr. Speaker, will the gentleman yield?

Mr. DOUGLAS of Arizona. Yes.

Mr. GARRETT. In the gentleman's original statement he spoke of the aptitude of this property for the manufacture of fertilizer. Do I understand the gentleman to mean that the board created under this bill could declare that the property is not adapted to the production of fertilizer, and thus absolutely destroy the fertilizer feature of this project?

Mr. DOUGLAS of Arizona. So far as the increase is concerned, that is true.

The SPEAKER pro tempore. The time of the gentleman from Arizona has expired.

Mr. BANKHEAD. Mr. Speaker, I yield to the gentleman two minutes more.

The SPEAKER pro tempore. The gentleman from Arizona is recognized for two minutes more.

Mr. OLIVER of Alabama. Mr. Speaker, will the gentleman yield?

Mr. DOUGLAS of Arizona. Yes.

Mr. OLIVER of Alabama. I wanted to ask a question in line with the one asked by the gentleman from Texas [Mr. GARRETT]. I note that the gentleman has emphasized the fact that if the property is not economically adapted to the production of fertilizer it should not be used for that purpose. From that I infer that the board will have authority, notwithstanding certain definite limitations in the bill, to limit the production of the plant to a mere negligible amount if it should conclude that it is not economically adapted for fertilizer production.

Mr. DOUGLAS of Arizona. May I interpolate this remark?

Mr. OLIVER of Alabama. Yes.

Mr. DOUGLAS of Arizona. The use of the word "adapted," as it is modified, on page 25, lines 11 and 12, by the language is this:

As the leasing board may find to be economically adapted or susceptible of being made economically adapted to the fixation of nitrogen.

It is probably true, although I would not state this as a definite opinion, that in regard to plant No. 1 and plant No. 2 they will have to be renovated to some extent to make them economically adapted to the production of fertilizer.

Mr. OLIVER of Alabama. Will the gentleman yield?

Mr. DOUGLAS of Arizona. I yield.

Mr. OLIVER of Alabama. The gentleman has been quite frank in answering the question and has referred to language on page 24, which he thinks supports his interpretation of the bill as conferring broad authority on the board in reference to the manufacture of fertilizer. If the gentleman is correct as to the attitude of the committee, and as to the interpretation of the bill in that regard, then the language on page 43, lines 1, 2, and 3, I submit has little, if any, meaning, and perhaps should be stricken out. The language is:

*Provided, That in negotiating such lease or leases, or in making such change in an existing lease, the board shall consider the principles herein enumerated and shall be bound by the limitation herein set forth, but shall have no authority to alter the requirements as to quantity and quality production of fertilizer bases or fertilizers.*

I was glad to find that language in the bill, because I felt that this bill in creating a power of attorney, giving the board very broad authority, at least carried a limitation in the interest of agriculture in the language just read. If, however, that provision may be interpreted as meaning that the board can comply therewith by simply demanding that a minimum amount, an infinitesimal amount of fertilizer ingredients, be manufactured, then that language would have no real meaning.

The SPEAKER pro tempore. The time of the gentleman from Arizona has expired.

Mr. BANKHEAD. Mr. Speaker, I yield the gentleman one additional minute.

Mr. DOUGLAS of Arizona. May I reply in this way, sir, that subsection (a) of section 2 hinges entirely upon the adaptability of these properties to the production of fertilizer? If they are adapted or if either of them is adapted, then these things must be done.

Mr. GARRETT. Who decides the question of adaptability?

Mr. DOUGLAS of Arizona. The board; but if both of them are not adapted to the production of fertilizer, then, as I construe this language, the production of fertilizer is not compulsory.

The SPEAKER pro tempore. The time of the gentleman from Arizona has again expired.

Mr. SNELL. I yield the gentleman one additional minute, so that the gentleman from Iowa may ask him a question.

Mr. THURSTON. The gentleman is a distinguished engineer and has a decided advantage over the average Member in considering a subject of this character. But, granted that the Cove Creek Dam is built and will cost from \$37,000,000 to \$40,000,000, will the gentleman explain the advantage to the Federal Government in taking such a sum from the revenues to be applied in that manner?

Mr. DOUGLAS of Arizona. May I say that some time later on I think the chairman of the committee is to yield me additional time to continue the explanation of the bill. If the gentleman can wait until that time, I would be delighted to try to answer his question.

The SPEAKER pro tempore. The time of the gentleman has again expired.

Mr. BANKHEAD. Mr. Speaker, I yield 10 minutes to the gentleman from South Carolina [Mr. McSWAIN], member of the committee.

The SPEAKER pro tempore. The gentleman from South Carolina is recognized for 10 minutes.

Mr. McSWAIN. Mr. Speaker, I greatly regret that there was a difference of opinion between myself and other members of the subcommittee which prepared this bill for the full committee, but I think our differences may be restricted to two particular questions. The first question relates to the matter of the divisibility of the property for purposes of leasing.

It is my understanding of the nature of the property, after personal inspection and study of it for several years, that its divisibility into two or more parts, to be leased to two or more lessees, will militate against the advantageous leasing of the property for the purposes of agriculture.

In other words, the power feature is very attractive. The fertilizer end of it is unattractive. It has been the policy of the Committee on Military Affairs from the very beginning to insist that these two shall be tied together, so that fertilizer shall ride, as it were, upon the economic and financial benefits of power, so that whoever wants the advantage of power shall also at the same time take the disadvantage of fertilizer. [Applause.]

Mr. HILL of Alabama. Will the gentleman yield?

Mr. McSWAIN. I yield.

Mr. HILL of Alabama. In other words, unless they make nitrogen there is no power?

Mr. McSWAIN. Of course, that is what I mean. Of course, nitrogen is the base of fertilizer.

Mr. SNELL. Will the gentleman yield?

Mr. McSWAIN. I yield to the gentleman from New York.

Mr. SNELL. What does the gentleman mean by "disadvantage of fertilizer"?

Mr. McSWAIN. I mean, as I stated, that the manufacture of fertilizer as a separate business at Muscle Shoals, is no more attractive there than it is in Baltimore, or Charleston, or Richmond. It has in itself no inherent attraction to induce capital to go to Muscle Shoals to start the manufacture of fertilizer. It has, therefore, always been the policy of the committee from the very first, when the gentleman from Washington [Mr. MILLER] was a member of the committee that the lease should be made to one party. You will find a report of our committee signed by the gentleman from Washington [Mr. MILLER], by the gentleman from Mississippi [Mr. QUIN], and by the present Senator from Vermont [Mr. GREENE], and a number of others, in 1922, to the effect that all parts of this entire proposition should go together, and that the lease should be made to one and to one person only.

Mr. WURZBACH. Will the gentleman yield?

Mr. McSWAIN. I yield.

Mr. WURZBACH. It is true, however, that this bill provides that the power can not be leased unless the nitrate plants are also leased; and it is also true that in this bill this board has the option of leasing either in whole or in part?

Mr. McSWAIN. That is absolutely true, but while that is categorically true what I fear is this, as stated in the views I filed separately, that a man of straw might be put up to take the fertilizer lease and thereby make it possible for some one else to take the power lease; in other words, to set the machinery in motion to unlock the operation of the bill. And the man of straw in a few years, after the expiration of the first five years, which is guaranteed by a performance bond, will fade out of the picture, and thus the fertilizer aspect would disappear forever. That is what I fear.

Now, gentlemen, of course, I recognize that discretion must be vested somewhere. I think if I were one of the three gentlemen appointed by the President, there never would be a lease signed unless it took care of the fixation of nitrogen for agricultural purposes. But we do not know who they will be, and it is now in our power, if we exercise that power, to say that the production of nitrogen for agricultural purposes shall be guaranteed by the advantages and benefits which accrue from power.

Mr. BRIGGS. Will the gentleman yield?

Mr. McSWAIN. Yes.

Mr. BRIGGS. It is my understanding, however, that it is now left to this commission to determine whether it is feasible to produce nitrates at this point. Why did not the committee determine that matter in advance for itself and let Congress determine it instead of leaving it to this leasing commission?

Mr. McSWAIN. I will say to the gentleman that I doubt if very many Members of Congress have ever visited Muscle Shoals. I have visited there, but I am not a scientist; I am not a chemist; and I can not say legislatively that nitrate plant No. 1 or nitrate plant No. 2 will fix nitrogen so economically that it will be advantageous for fertilizer. I can not say that legislatively. It is a scientific problem and there will necessarily be a great deal of talk about it.

Mr. BRIGGS. But would not the commission have to depend upon the same source of information that this committee and the Congress would have to depend upon in reaching that conclusion?

Mr. McSWAIN. Certainly. But the three men will have an opportunity we do not have.

Mr. HILL of Alabama. Will the gentleman yield?

Mr. McSWAIN. Yes.

Mr. HILL of Alabama. But the gentleman would absolutely insist upon having a guaranteed minimum annual production of nitrogen?

Mr. McSWAIN. Yes. I will say to the gentleman I have in my hand a bill which represents my idea of how the matter ought to be solved. It is H. R. 12097, which is printed in this morning's RECORD for the information of the House, and at the proper time I propose to ask that this bill be substituted for the entire proposition pending in the amendment offered by the committee, and it will be up to the House as in Committee of the Whole to say whether or not that substitute will be in order.

Mr. SNELL. Will the gentleman yield?

Mr. McSWAIN. Yes.

Mr. SNELL. Would the gentleman think it would be good legislation to insist on having nitrates manufactured at Muscle Shoals if it were proved not to be feasible and that they could be manufactured cheaper at any other point in that locality?

Mr. McSWAIN. Certainly not.

Mr. SNELL. Then why does the gentleman insist upon having them manufactured there?

Mr. McSWAIN. For this reason: I provide in this bill that they must make a minimum amount of nitrogenous plant food and a minimum amount each year of fixed nitrogen, provided it will sell, but if it will not sell, then, of course, the fertilizer feature must fade out. If that cost element is audited and checked, as it will be, it is my belief it will sell; it is my belief that nitrogen made at Muscle Shoals will be from 25 per cent to 40 per cent cheaper than it is now being sold on the market, and it is my belief that if we put the two things under one head and tie them together it will break the back of the Chilean nitrate trust that has been riding upon the backs of the farmers of the world for almost 50 years. The farmers of America in the last 50 years have paid to the Chilean Government \$265,000,000 in export duties on Chilean nitrate, of which the Chilean Government has an absolute monopoly. The farmers and the people of the whole world must have paid \$1,000,000,000 in export duties to the Chilean Government. [Applause.]

Mr. COX. Will the gentleman yield?

Mr. McSWAIN. Yes.

Mr. COX. I would like some information with reference to the language appearing in the second paragraph of the first section of the bill. The language is:

The leasing board is hereby directed to appoint appraisers—

And so forth, who shall appraise the property, which appraisement—

shall represent the present fair value of United States properties involved.

I am sure it must have occurred to the gentleman that what is done with respect to fixing the present fair value of the property will largely determine the question of the benefits flowing to the farmer through cheap fertilizer. Now, this is my question: Value is a relative term. What is meant by "present fair value"? Is it the value of the thing in use or is it its value in exchange?

Mr. McSWAIN. Well, the gentleman has gone into refinements on which I can not follow him. I undertake to say in my bill the present fair, reasonable, and economic value. I do not know what that means, and it is simply left to the common sense, the practical business judgment, of the appraisers, to be approved by the board, to say what is the fair and reasonable value.

Mr. COX. Does the gentleman not agree that the fertilizer feature of this bill depends upon the action of the board in determining the value of the thing?

Mr. McSWAIN. Not necessarily, because the bill provides that those parts of the plant used for the fixation of nitrogen for agricultural purposes shall not be compelled to contribute to any amortization fund whatever. It goes scot-free of such obligation and is only compelled to pay a reasonable rental for the use of the property.

The SPEAKER. The time of the gentleman from South Carolina has expired.

Mr. BANKHEAD. Mr. Speaker, I yield the gentleman three more minutes.

Mr. COX. May I continue the question?

Mr. McSWAIN. Make it a definite question, please.

Mr. COX. What is the basis of fixing the true, fair value of the property? Do you take into consideration the cost of the thing, the revenue that has been obtained, the losses sustained, or will the commission or the board be governed by the purposes of the act?

Mr. McSWAIN. I do not know what will be taken into consideration, and the Congress or the legislative body can not know. We can not say what the value of that property is. All we can know, perhaps, is what it has cost.

Mr. COX. If the board fixes the fair value of the property, whatever basis of calculation may be adopted by the board, at \$50,000,000, does the gentleman not agree that there will not be any possibility of getting fertilizer at a price competitive with the products of private manufacturers?

Mr. McSWAIN. No; I do not. I say that the Wilson Dam itself is worth in the neighborhood of \$50,000,000, on an economic basis, for the production of power, and if that be the basis of valuation, then the entire nitrate plants, No. 1 and No. 2, would go free of assessment or valuation. I think that property must be worth somewhere between \$60,000,000 and \$75,000,000; but that is simply my judgment. I do not know.

Mr. COX. But fixing the value at \$50,000,000 or \$60,000,000 means we will get no cheap fertilizer, because that represents the investment upon which the Government, under its lease, must have a return.

Mr. McSWAIN. But the bill does not say what the return must be. It only says a 4 per cent amortization fund on a 50-year basis. It does not say what the rent shall be, and

when I figure that the cost of nitrogen for agricultural purposes will be cut from 25 per cent to 40 per cent, I figure on an assumed valuation of between \$60,000,000 and \$75,000,000.

Mr. LANKFORD of Georgia. Will the gentleman yield?

Mr. McSWAIN. Yes.

Mr. LANKFORD of Georgia. The gentleman, to a certain extent, has anticipated my question. There may be a contract made as to fertilizer and a different one made as to electrical energy, and the contract with respect to fertilizer may fall down, and the fertilizer company become insolvent, and still part of the plant may be operated by another company under a 50-year lease for the creation of electrical energy. That is the real danger in the bill, is it not?

Mr. McSWAIN. That is the danger in the bill, as I have pointed out time and again.

Mr. BANKHEAD. Speaking from the standpoint of the development of fertilizer for the benefit of the farmers in some substantial quantity, after the gentleman has analyzed the provisions of the so-called Norris bill with respect to its features in regard to the manufacture of fertilizer and the pending committee bill before the House upon that same feature, assuming that a bill should be passed and a lease made, which of these two bills, in the gentleman's opinion, provides the best assurance for the production of fertilizer that we have all been seeking?

Mr. McSWAIN. That is on the assumption that the Norris bill becomes law as it now stands written here, or that this bill becomes law as it is written here. As between the two, the best bet for the farmer is the bill that this committee has brought in [applause], because the Norris bill does not provide for fertilizer to be sold to the farmers of this country. You will not find in the Norris bill, as it is written, any provision for the sale of fertilizer.

Mr. COX. But the Norris bill does provide that some part of the property shall be devoted to the manufacture of fertilizer.

Mr. McSWAIN. For experimental purposes only, and it does not provide that one pound shall be sold. You will not find in the bill where one pound is to be sold to the farmers of this country. It is for experimental purposes only.

Now, I sat in this subcommittee as a member, and I want to say there are in this bill some provisions that are better than have ever been in any bill that has been before the Congress with reference to the disposal of Muscle Shoals. One of them is—and I call your attention to this, gentlemen, and it is important—I am trying to be fair about this. I want to be fair. I want to see this problem settled, and that is the reason I am going to offer the substitute at the proper time to dispose of the whole thing forever. One of the features that is highly important is a direction that in making the leases the negotiators and the President shall take into consideration the value of secondary power.

For 50 per cent of the time there are 265,000 horsepower susceptible of being developed at Wilson Dam alone. Now, whenever we have had lessees before us, such as the Henry Ford offer, the Cynamid offer, or any other, the whole negotiation has been on the basis of the quantity and the value of the prime power only, which is about 78,000 horsepower, and when we were talking to the Cyanamid people they would not think of considering the value of this 260,000 horsepower 50 per cent of the time.

Mr. WRIGHT. Will the gentleman yield?

Mr. McSWAIN. Yes.

Mr. WRIGHT. The gentleman stated, in effect, that as a fertilizer-manufacturing proposition Muscle Shoals would not be any more attractive than other points.

Mr. McSWAIN. Not any more than Washington, D. C., and maybe not so much.

Mr. WRIGHT. But the power proposition is attractive?

Mr. McSWAIN. Very attractive, in my humble judgment.

The SPEAKER. The time of the gentleman from South Carolina has again expired.

Mr. BANKHEAD. Mr. Speaker, I yield the remainder of my time to the gentleman from South Carolina in order that he may answer some questions.

Mr. WRIGHT. Does not the gentleman mean by that statement that this proposed lease ties the lessee down to an 8 per cent profit in the fertilizer he produces and sells?

Mr. McSWAIN. Yes.

Mr. WRIGHT. And, if under such terms he had to go there and lease or buy power at the market price, it would not be attractive with that kind of proposition, because he is tied down to a profit of 8 per cent.

Mr. McSWAIN. That has been the opinion of the committee for 10 years.

Mr. WRIGHT. And the real incentive or the real reason a lessee would go there to manufacture fertilizer would be for the advantage he would get out of the power?

Mr. McSWAIN. Yes.

Mr. WRIGHT. And that is why the gentleman thinks they ought to be tied together?

Mr. McSWAIN. Yes. And this is a consideration we must not forget. The more nitrogen we fix for fertilizer in time of peace, the better prepared we are for the fixation of nitrogen in time of war, and all the battleships in the world, irrespective of any limitation of naval armament, are powerless without either synthetic nitrogen made in some such place as this or nature's nitrogen in Chile.

Mr. TAYLOR of Tennessee. In the course of the subcommittee's deliberation, did they at one time give serious consideration to reporting an alternative bill?

Mr. McSWAIN. The gentleman must not ask me that question. I said a lot of things that I do not want to talk about. I got mad at times and I would not want the RECORD to show what I then said. It is best not to go into the committee proceedings.

Mr. TAYLOR of Tennessee. Did not they go to the expense of providing a committee print for an alternative proposition?

Mr. McSWAIN. Oh, they had committee prints.

Mr. OLIVER of Alabama. Will the gentleman yield?

Mr. McSWAIN. Yes.

Mr. OLIVER of Alabama. I have been greatly impressed with the gentleman's interesting report appearing in the RECORD this morning. I wish to ask every Member of the House to read it.

The SPEAKER. The time of the gentleman from South Carolina has expired.

Mr. SNELL. Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER. The question is on agreeing to the resolution.

The resolution was agreed to.

Mr. RANSLEY. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of Senate Joint Resolution 49, to provide for the national defense by the creation of a corporation for the operation of the Government properties at or near Muscle Shoals, in the State of Alabama, and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union, with Mr. MAPES in the chair.

The CHAIRMAN. The House is in Committee of the Whole House on the state of the Union for the consideration of Senate Joint Resolution 49, which the Clerk will report.

The Clerk read the title of the joint resolution.

Mr. RANSLEY. Mr. Chairman, I ask unanimous consent that the first reading of the joint resolution be dispensed with.

The CHAIRMAN. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The CHAIRMAN. Under the rule there are three hours for general debate.

Mr. RANSLEY. Mr. Chairman, I yield 10 minutes to the gentleman from Texas [Mr. WURZBACH].

Mr. WURZBACH. Mr. Chairman, Congress has had the matter of the disposition of Muscle Shoals before it for over 10 years. I am going to prophesy that unless the Members of the House get together in a spirit of compromise that it will be another 10 years before this great problem is disposed of.

Now, it is impossible to discuss this bill in detail in 10 or 15 minutes, or even in one hour. The bill is written in plain language. The report removes any doubt as to the meaning of the bill. There is nothing concealed. The House does not have to construe the language of the bill. It needs no construction. It is simply a matter of passing judgment upon the merits or demerits of the bill.

The bill provides generally for the leasing of what is known as the Muscle Shoals property for a period of 50 years, and authorizes the President to appoint a board of three members to make disposition of it within the general limits prescribed in the bill. It provides first for large-quantity manufacture of fertilizer. That is, in my opinion, its most important feature, and that is the proposition upon which this whole Muscle Shoals question has been sold to the farmers of the country, and we should insist upon that feature being kept predominant.

It provides for national defense. It provides for the construction at the initial, but not the ultimate total expense of lessees, of Cove Creek Dam, except that the Government indirectly con-

tributes to lessees a part of that expense chargeable to flood control and improved navigation of the Tennessee River.

The objection might be made to the requirement that the Government pay a part of the construction cost of Cove Creek Dam, but it must be remembered not only that such contribution is fully justified on account of the benefits that will result from flood control as affecting the Tennessee Valley and on down the Mississippi River to the Gulf of Mexico and of navigation of the Tennessee River, but it must also not be forgotten that the power increase of Government-owned Wilson Dam resulting from the construction of Cove Creek Dam will be so great that it will more than compensate the Government for its contribution to flood control and navigation. I do not believe there will be any difficulty in leasing this property because of the fact that the lessee must build Cove Creek Dam. If, as is conceded, power is the most attractive and most profitable portion of the Muscle Shoals properties, then manifestly a doubling of that power will not hinder it but help the leasing of it. Except for the Government's contribution as aforesaid for flood control and navigation, it has no other expense in this bill except the additional administrative expenses, which are comparatively nominal and will continue for a very limited period, and which are probably less than the Government is now paying for upkeep of the Muscle Shoals properties.

Mr. OLIVER of Alabama. Would it interrupt the gentleman if I should ask a question in that connection? Since the gentleman has called attention to the fact that the Government is vitally interested in the construction of Cove Creek Dam because of the duty devolving on the Government to improve navigation and control the floods of the Tennessee and to increase primary power at Dam No. 2, and since he estimates that the increase of primary power at Dam No. 2 will more than pay the cost of constructing Cove Creek Dam, why should there be any objection to the Government constructing this dam?

Mr. WURZBACH. I do not think there should be the slightest objection. Cove Creek Dam should by all means be constructed. It is the key to the whole proposition. It makes the Muscle Shoals problem a national problem of national importance.

Mr. OLIVER of Alabama. The committee provides that it must be so constructed and operated and maintained as to benefit navigation, benefit flood control, and increase the primary power at Dam No. 2.

Mr. WURZBACH. Yes; that is true. And not only has the Government no other expense than the expense just mentioned, but this bill also provides that the Government shall be repaid a part of its investment at Muscle Shoals. The bill provides for payment to the Government of the appraised value of all its properties, except only so much of the property as is used in fertilizer manufacture; and the bill also provides for payment for the use of the property.

I listened with a great deal of interest to the remarks of my good friend, the gentleman from South Carolina [Mr. McSWAIN]. I do not see any real substantial conflict between his views and the views of the rest of the committee. The gentleman from South Carolina for the last eight or nine years has taken as great, if not greater interest, in the matter of the proper solution of this difficult problem of the disposition or lease of Muscle Shoals than has any other member of the Military Affairs Committee. He has offered many suggestions that are written in this bill, and he has offered many criticisms, and his criticisms have always been fair and constructive. If I had the time, I believe I could demonstrate that his objections are not so vital as to cause him to oppose this bill in its present substantial form or to influence any Member to vote against it.

It should be remembered that in writing this kind of a bill it should not be made too inflexible. We have heretofore attempted to write a leasing bill and have failed. If you make a lease authorizing bill too inflexible, you destroy the very purpose of it, in that you make it probably impossible for the board to lease the property at all. I would much rather have less inflexibility, because then we are only placing a larger discretion, and consequent larger duty and responsibility upon the board. Having confidence in the President and the board he will appoint, I have no misgivings on that account. We delegate power whenever we enact any kind of legislation. We do that every day. You have got to trust someone to execute the laws that you enact. Every time we enact a law another branch of the Government—the Executive—has to execute it. Why hesitate in this kind of law?

I have been a Member of the House for about 10 years. I know the membership. I know that they are honest, patriotic, and wise, but I have not yet come to the conclusion that there are only 531 honest, patriotic, and wise men and women in the United States, and that all of them have been elected

to the House and the Senate. We must leave something to the President and the board—some latitude, some judgment and discretion. I am willing to trust the President, and to trust him to select honest and capable members of the board. He will be not only our agent appointed by this bill if it becomes law, but he has also already been selected as the agent of the American people. In the last election by a majority vote of 40 out of 48 States he was elected as the Chief Executive of the Nation to execute the national law, and I am ready now to trust him to cooperate with and to appoint the right kind of a board, to carry out faithfully and patriotically the legislative will as it is expressed in this bill.

Mr. TAYLOR of Tennessee. Mr. Chairman, will the gentleman yield?

Mr. WURZBACH. I am sorry, but I can not. I am afraid that it will be impossible in the allotted time to half cover the case as it is. I think the country is peculiarly fortunate in having just such a President as we have now to carry out the provisions of this particular bill. He is recognized as being one of the first 10 engineers in the world, and we may rest assured that our constituents, whose agents also we are, will not blame us if we intrust the execution of this contract to their and our elected representative. [Applause.]

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. RANSLEY. Mr. Chairman, I yield two minutes more to the gentleman from Texas.

Mr. WURZBACH. I want now to say only a word about the objection raised by the gentleman from South Carolina [Mr. McSWAIN] that this bill does not require the leasing of all this property to one lessee. I call attention that neither does it declare that it shall be leased in parcels. It is left to the discretion of the board. They may find it advantageous to lease all the property to only one lessee. They may find, on the other hand, that it is more advantageous, or even necessary, to lease to more than one lessee, and I am satisfied that if the board finds that it can make a more advantageous lease to one lessee, it will elect that course. That is another matter of discretion that is, and should be, left to the board. I wish I had the time now to discuss the alternative proposition which I understand will be offered as an amendment, but my time is up and I shall probably have time to discuss that when the bill is read under the 5-minute rule.

The CHAIRMAN. The time of the gentleman from Texas has again expired.

Mr. QUIN. Mr. Chairman, I yield 20 minutes to the gentleman from Texas [Mr. GARRETT].

Mr. GARRETT. Mr. Chairman, ladies and gentlemen of the committee, the question of Muscle Shoals has been before Congress for a decade. During all of that time it has been considered by the Committee on Military Affairs, by virtue of the jurisdiction that that committee acquired because of the national-defense feature of Muscle Shoals. During these 10 years I have had but one prime object or, I might say two, in the disposition of Muscle Shoals. First, I want Muscle Shoals disposed of in a way that will bring to the farmers of the country cheaper and better fertilizer; and, second, in no event must it ever pass into the hands of the power interest of the country and become a mere power proposition.

Let our minds go back to 1916, when all America stood aghast, as we gazed upon the great conflagration that involved all Europe, when everyone, as they watched the flames mount higher and higher, was asking themselves the question, "Will those terrible fagots fall on our shores?" In a short while the awful question was answered; they did, and our Nation was drawn into that world catastrophe of sorrow, misery, and death. Out of this, Muscle Shoals was born.

Now, after 10 years' agitation and delay, the Congress of the United States comes again to consider Muscle Shoals and endeavor to answer the inquiry so often made: "What shall we do with it?"

The very creation of Muscle Shoals, therefore, grew out of a military necessity on the part of the United States to prepare for her national defense in the manufacture of nitrates to be used for explosives in times of national emergency, and to save her people from further extortions and exactions on the part of the Chilean Nitrate Trust. While the European war was raging, which later became known as the World War, the United States was brought face to face with the very serious question that in the event we were drawn into this terrible world catastrophe, "Where would we get sufficient nitrates for the manufacture of munitions of war in the interest of our own national defense?" and the Congress passed in June, 1916, what is known as the national defense act, and section 124 of this act brought Muscle Shoals into existence. Section 124 provides that:

The President of the United States is hereby authorized and empowered to make, or cause to be made, such investigation as in his judgment is necessary to determine the best, cheapest, and most available means for the production of nitrates and other products for munitions of war and useful in the manufacture of fertilizers and other useful products by water power or any other power as in his judgment is the best and cheapest to use; and is also hereby authorized and empowered to designate for the exclusive use of the United States, if in his judgment such means is best and cheapest, such site or sites, upon any navigable or nonnavigable river, or rivers, or upon the public lands, as in his opinion will be necessary for carrying out the purposes of this act; and is further authorized to construct, maintain, and operate, at or on any site or sites so designated, dams, locks, improvements to navigation, power houses, and other plants and equipment or other means than water power as in his judgment is the best and cheapest, necessary, or convenient for the generation of electrical or other power and for the production of nitrates or other products needed for munitions of war and useful in the manufacture of fertilizers and other useful products.

And under section 124 of that act Muscle Shoals came into legislative existence. As you have seen, that act provided that Muscle Shoals should be adapted to the manufacture of nitrates for national defense and for the manufacture of fertilizer for the farmer.

After the World War had been concluded by the signing of the armistice and the treaties of peace by the belligerent nations, the question immediately arose as to what the Government would do with the gigantic plant constructed at Muscle Shoals, Ala., in accordance with section 124 of the national defense act.

The construction of Muscle Shoals, in round numbers, cost the taxpayers of the United States over \$160,000,000; this valuable property must not be lost to the farmers of America and to the Government.

Various and sundry bills have been introduced in the Congress of the United States for the disposition of Muscle Shoals, running over a period of now about 10 years, and on account of Muscle Shoals being linked with the national defense, all of these bills have been referred to the Committee on Military Affairs, beginning with the Ford offer for the lease of Muscle Shoals. In the early consideration of all of these bills the Committee on Military Affairs deemed it necessary, in obedience to the provision of the national defense act, to declare a policy with reference to the consideration of all bills providing for the disposition of Muscle Shoals. To this end, in the early consideration of this question, the Committee on Military Affairs passed a resolution that it would not give serious consideration to any bill providing for the purchase or lease or use of Muscle Shoals, property of the Government of the United States, unless it contained the following fundamentals and essentials:

First. That the property shall at all times be subject to the absolute right and control of the Government for the production of nitrates or other ammunition components of munitions of war, and that nitrate plant No. 2 must be kept available therefor by the purchasers, lessees, or users of the property.

Second. That the purchasers, lessees, or users of the property shall be obligated in the strictest terms to the manufacture and sale to the public of fertilizers in time of peace.

Third. That any proposal for the purchase, lease, or use of the Muscle Shoals property of the United States Government must be for the entire property, except the so-called Gorgas plant and the transmission line therefrom.

One of the essentials of the fundamentals heretofore laid down by the Committee on Military Affairs was that whenever the property at Muscle Shoals was leased to any person or corporation, that the lease must provide for the letting of the entire property except the so-called Gorgas plant and the transmission line therefrom.

The present bill as now reported by the Committee on Military Affairs provides that the lease may be made for this property or any part thereof for a period not to exceed 50 years.

If the Congress now proposes to segregate Muscle Shoals by the passage of this act and lease a part of it, to wit: The power, to one person or corporation, and another part, to wit: The manufacture of fertilizer, to another person or corporation, it is perfectly clear that the hydroelectrical power plant at Muscle Shoals would become of first importance, and the question of the manufacture of fertilizer to aid the farmers and truck growers of the country to rehabilitate their worn-out lands, would become of secondary importance, and in a short while the fertilizer feature of Muscle Shoals would fade out of the picture and the whole proposition would then pass into the hands of the power interests. In fact, the bill that the House is now considering is, in my opinion, nothing more nor less than a bill for the disposition of the hydroelectric power at Muscle Shoals. The consideration of this measure before the Committee on Military Affairs at this time demonstrates

beyond the peradventure of a doubt that the question of the disposition of the power at Muscle Shoals is of transcendent importance as compared with the proposition for the manufacture of fertilizer for the farmers of this country. The great political parties of this country are usually profuse in their platform declarations in behalf of the downtrodden, neglected farmers, and this applies to one party as much as to the other.

Members of Congress go out upon the hustings and proclaim their undying allegiance to the men and women who till the soil and feed and clothe the world, but when a great proposition comes before us to bestow a real blessing upon those who drag the cotton sacks between the rows and till the fields of corn, wheat, tobacco, and rice, we seem to be afraid to do something for the farmer for fear that we might be charged with being guilty of putting the Government into business, forgetting that in the disposition of Muscle Shoals we are dealing with the property of the Government itself, a property, if you please, as before stated, that has caused the taxpayers of this country, including the farmers as well as the others, \$160,000,000, and for 10 years we have permitted this property to lie idle, so far as the farmer is concerned, and have permitted it to be leased to the Alabama Power Co. on short-term leases from which that company has, and is, and will continue to make millions of dollars of profits. How much fertilizer, may I ask, does the present bill require should be made? The present bill only requires the lessees to produce, within three years and six months from the date such lease or leases shall become effective, such fertilizer basis or fertilizers containing not less than 10,000 tons of fixed nitrogen. This, too, in the face of the fact that heretofore the Committee on Military Affairs has never given serious consideration to any lease of Muscle Shoals which did not provide for at least 40,000 tons of fixed nitrogen per annum.

It is true that there is other language in the bill that might indicate that the committee expects more than that amount to be made, but the language with reference to such increases is so vague and indefinite that no one reading the act could reasonably expect that there would ever be produced for fertilizer purposes a greater amount than the minimum amount referred to in the bill which, under the unlimited power of the board to determine whether or not the reasonable demands of the market would require the manufacture of a greater amount than the 10,000 tons minimum, this amount would immediately become the maximum amount of fertilizer to be made, which of itself would be so small and so far below the expectations and demands of the farmers of the country that they would soon lose all interest in Muscle Shoals as a friendly project of theirs, and then in a short time all of Muscle Shoals would become a great power plant and pass into the hands of the power interests.

I am one of those who believe that a great private monopoly of a public necessity is intolerable, indefensible, and destructive of the rights and liberties of the people themselves. If, in the disposition of Muscle Shoals, it shall, in the end, as I firmly believe it will, become a power proposition with but little attention paid to fertilizer, then the question arises, Who will get this power and how will it be allocated?

First, I want this House to understand here and now that there is but one company that has transmission connections with Muscle Shoals and that company is the Alabama Power Co., and that under the provisions of this bill the Alabama Power Co., and that company alone, will receive all of the power generated at Muscle Shoals, because under the terms of this bill no one else can put themselves in a position to receive the power.

Read, if you please, subsections (h) and (i) of section 2 under the head of Allocation and Sale of Surplus Electric Energy and see if it is probable—or, if you want to use stronger language, if it be possible—for any State, county, or municipality, or other political subdivision who might want to make demands for the electrical energy created at Muscle Shoals, to receive the same. The bill upon its face would appear to give the States, counties, and municipalities a prior right to this energy, for it provides that this may be done where such State, county, or municipality may make demand and agree to pay a reasonable price therefor, but I ask you, can they make such demand, how can they agree to pay a reasonable price therefor when there is not one mile of transmission line going out from Muscle Shoals to any such State, county, or municipality that is not owned by the Alabama Power Co.? Therefore, before any State, county, or municipality or other political subdivision could make a demand for electrical energy generated at Muscle Shoals it would have to first build its own transmission lines at a cost of \$30,000 per mile into Muscle Shoals, for there would be no other way for it to receive this current except over the transmission lines of the Alabama Power Co. As you will note,

there is no provision made in this bill that will authorize the lessee to construct or maintain any transmission line. Therefore, having no authority to build transmission lines, no one would expect them even to attempt to construct other transmission lines. Section 11 of the Norris bill takes care of this situation in the following language:

In order to place the board upon a fair basis for making such contracts and for receiving bids for the sale of power it is hereby expressly authorized, either from appropriations made by Congress or from funds secured from the sale of such power to construct, lease, or authorize the construction of transmission lines within transmission distance in any direction from said Dam No. 2 and said steam plant: *Provided further*, That if any State, county, municipality, or other public or cooperative organization of citizens of farmers, not organized or doing business for profit but for the purpose of supplying electricity to its own citizens or members, or any two or more of such municipalities or organizations shall construct or agree to construct a transmission line to Muscle Shoals, the board is hereby authorized and directed to contract with such State, county, municipality, or other organization or two or more of them for the sale of electricity for a term not exceeding 30 years.

Section 124 of the national defense act has been fundamental with the Committee on Military Affairs from the very beginning of the consideration of this question. I am somewhat surprised to-day to find the gentleman from Arizona [Mr. DOUGLAS] make the statement that the question of the availability or adaptability of Muscle Shoals for the manufacture of fertilizer may now be left to the board created by this proposed legislation, which may decide that it is neither adaptable nor available for the manufacture of fertilizer. This question has never been raised before.

It is available and it is adaptable to the manufacture of any and all kinds of commercial fertilizer. Mr. Ford, when he offered to take over Muscle Shoals, believed it to be both available and adaptable, and he was anxious to make fertilizer upon a large scale at Muscle Shoals and at a very reasonable profit. The American farmers throughout the country have knocked on the doors of the Committee on Military Affairs and said, "We want fertilizer made at Muscle Shoals." All the lessees that have made offers for Muscle Shoals have said it could be used, and ought to be used, for the purpose of manufacturing fertilizer. Yet we have never been able to get a measure passed by the Congress and signed by the President.

So, my friends, according to the gentleman's statement of adaptability that the board can decide that question, then we are giving the President of the United States in this bill the power to appoint a board that can destroy Muscle Shoals as a fertilizer proposition solely upon the question that it is not adaptable for that purpose.

And then what? It becomes a power proposition and passes into the hands of the Alabama Power Co.

Why do I say that? Because there is no other power company in the United States that owns 1 mile of transmission lines entering into and departing from Muscle Shoals except the Alabama Power Co. That company and that company alone is operating it to-day and getting a favorable lease from the Government, selling the power to the people and carrying it over its own transmission lines at a tremendous profit.

Ah, my friends, our political parties—both Republicans and Democrats—when we go into conventions to write platforms and to make platform declarations view with alarm and sorrow the sad condition of the farmers of the country. We call the world's attention to their deplorable condition. We go on the stump and we preach to the men that drag the cotton sack between the rows, or toils in the fields of grain, who feed and clothe the world, and tell them that they should be of the first consideration at the hands of the Congress of the United States; but when we come to consider a great proposition that will be a blessing for all time to the farmers of this country and the truck growers, in building up their worn-out lands, in enriching their depleted soil, we find ourselves impotent and powerless to relieve him from the Fertilizer Trust that controls prices from one end of the country to the other.

If you Members of the Congress doubt for one moment the anxiety of farmers of this country about getting cheaper fertilizer, go ask the farmer what he is paying for fertilizer to-day compared with what he paid in the years gone by. Why can not we do something for our toiling people? Are we afraid that we shall be charged with departing from some traditional teaching of the fathers by putting the Government into business? There is not a man in this House or out of it who believes in the doctrine that the Government of the United States ought not to enter into business in competition with its citizens, except in cases of necessity or emergency, more than I do. Yet I do not hug that doctrine to my bosom so tightly, nor

do I hold it before my eyes so closely, that I will deny my own Government in the interest of its own defense the right to operate its own property. [Applause.]

Why do we have arsenals over the country to make munitions of war, and why did we ever have them? Because our fathers believed that the military secrets of this Government should not be confided to the breasts of those who controlled private interests but that the Government should own them itself, with men in charge of them who were sworn to support and defend the Constitution of the United States against all enemies, foreign and domestic. That is why the Government owns and controls its arsenals now. The same interests that would have you and I turn our backs on Muscle Shoals would have us abandon our arsenals of the country in the manufacture of munitions of war, and turn them over to private interest.

Mr. MOORE of Virginia. Will the gentleman yield?

Mr. GARRETT. I yield.

Mr. MOORE of Virginia. Can any lawyer or anybody else see any distinction, as far as the Constitution is concerned, between the Government itself operating the plant and the Government leasing its operations?

Mr. GARRETT. It is only one of those distinctions without a difference.

Mr. WURZBACH. Will the gentleman yield?

Mr. GARRETT. I yield.

Mr. WURZBACH. Does the gentleman favor Government operation as described in the Norris bill, which does not provide for any fertilizer manufacture at all?

Mr. GARRETT. I will say to my colleague from Texas that while I am disappointed in the Norris bill in that it does not prescribe a fixed amount of fertilizer, the Norris bill does assert that there shall be fertilizer manufactured there on a large scale, and that it shall be distributed among the farm organizations of the country for experimental purposes, if you please; also that 1 per cent of the fertilizer made under the Norris bill shall be given to the farmers for experimental purposes. But the fundamental difference between this bill and the Norris bill is that the Norris bill does save Muscle Shoals for the farmers, and it does keep the Power Trust from taking it over, and the bill under consideration does neither, but will in my opinion finally turn this enormous governmental property over to the Power Trust. [Applause.] That is my opinion of the two bills.

Now, let me show you. According to this bill, they are going to make only 10,000 tons of fertilizer. It is the only bill that has ever come before Congress that provided for 10,000 tons of fixed nitrogen. The Henry Ford offer provided for 40,000; every person or corporation who has had a proposition before our committee has proposed to make from 40,000 to 50,000 tons, while this bill virtually stops at 10,000 tons. Why does it stop at 10,000? I will tell you why. Because, when you fix a minimum of 10,000 tons of fertilizer under the restrictions laid down in this bill, and it is only manufactured as there is demand for it, in the opinion of the board, and should the board be indifferent or unfriendly to the production of fertilizer, then this amount would immediately become the maximum. Ten thousand tons is about enough fertilizer for four or five counties down in Alabama. We want fertilizer made at Muscle Shoals on a large scale for the benefit of all the farmers throughout our great country.

The gentleman from Arizona [Mr. DOUGLAS] having raised the question of adaptability, and keeping in mind that he says the board created by this bill can determine whether or not Muscle Shoals is adaptable to the manufacture of fertilizer, should this board see fit to do so, you can see that they will never make over 10,000 tons of fixed nitrogen at Muscle Shoals; and, when they have a surplus of 2,500 tons and there is no reasonable demand for any more in the opinion of the board it stops altogether. I want the House to understand this. When they have made 10,000 tons of fixed nitrogen and when they have accumulated 2,500 tons of surplus, if this board desires there is no reasonable demand for any more, they stop. When they stop the production of fertilizer all of the power at Muscle Shoals, both primary and secondary, becomes surplus; and, what are you going to do with it? Now we come to the power feature of this bill.

If you will read this bill you would think they were not going to let any power companies buy any of this energy at all. They are going to sell it to States, to counties, political subdivisions, and so forth, if they will agree to pay the price. Do you know what the price is? I want you who think you have cities within transmission distance of Muscle Shoals to study carefully this feature of the bill just a moment. What is the price which municipalities and cities will have to pay? First, as I said before, there is no company that has any transmission line into Muscle Shoals except the Alabama Power Co. Now,

let us suppose that Memphis, we will say, which is 400 miles away, Birmingham, Ala., Nashville, Tenn., on out to Houston, Tex., if you please, 800 miles away, all should express a desire and make demand for electric power generated at Muscle Shoals. How would they ever get it? There are no transmission lines to any of these places that are publicly owned over which the current can be transmitted. The city of Nashville or the city of Memphis or the city of Birmingham, before they could ever get one kilowatt of this power would have to construct their own transmission lines into Muscle Shoals, at a cost of about \$30,000 a mile. How long do you think they would be in getting electric power at Muscle Shoals?

The Government corporation created under the Norris bill to operate Muscle Shoals under its authority to dispose of the surplus electric power has authority to construct transmission lines out into the country from Muscle Shoals so that States, counties, municipalities, or groups of individuals may be supplied with electricity at a reasonable price. But if the Government did not see fit to do it, then the States, counties, cities, or other organizations might come forward and build them themselves and come into Muscle Shoals; but there is nothing in this act which permits it. [Applause.]

The CHAIRMAN. The time of the gentleman has expired.

Mr. QUIN. Mr. Chairman, I yield the gentleman five additional minutes.

Mr. GARRETT. I want to refer to this power proposition. They say this bill is written openly and fairly. It is. All you have to do is read it. It is open and fair. It is the openest thing I ever saw. It has the most wide open joker in it that I ever saw, and I will call your attention to that, and then I will close.

When you come to consider section 2, subsection (i), which deals with the allocation and sale of surplus power and electrical energy, I want you to read it and read it carefully, and mark well its language.

What does it do? It says they are not going to sell to great power companies until the States, counties, and cities have first been supplied. These power companies, therefore, are not supposed to get any of this surplus power which is generated at Muscle Shoals, except as above indicated. Now, mark you, when the board has closed up your fertilizer plant because it was not adaptable to the economic manufacture of fertilizer, which can be done according to what has been said by the gentleman preceding me, therefore, should this eventually come to pass we would then be dealing with power alone. While the board is not supposed to sell this surplus power to these power companies or their allies, nevertheless they find themselves with a surplus of power and seem to have no way of disposing of the same. Now here is where the Alabama Power Co. comes into the picture. It is the only company that has transmission lines into Muscle Shoals, and while the board is not supposed to sell this surplus power to this company, yet we find this proviso in the bill:

*Provided, however, That the sale of primary surplus electric energy or secondary electric energy by contract or otherwise to any such power-distributing company shall be permitted for periods of not to exceed 10 years.*

So, finally, what do we find at Muscle Shoals? The board in charge has, perchance, decided it was not adapted to fertilizer; it has the right to sell power, but there is nobody to buy it except the Alabama Power Co. There are no transmission lines anywhere, and the board meets to make a final disposition of the power. They say, "We have all this power, and what shall we do with it?" All the board will have to do is follow that proviso and 10 years at a time for the next 100 years, if Congress does not stop them, can let the Alabama Power Co. have all the surplus power, as it has the only transmission lines to take it away. And thus your bill becomes a power bill. Your fertilizer is gone.

You ask me what I would prefer, and I do not hesitate a moment to say that, as far as I am concerned, interested as I have been in the fertilizer for our farmers and seeing it fade out of the picture as I do—being unalterably opposed to the selfish power interests taking over this property and exploiting it for their benefit, I would rather see and hear the waters go over the dams and locks of Muscle Shoals for 100 years waiting for a Congress to come that will decide and settle this question in the interest of farmers and all our people than to see it pass into the hands of the Power Trust to be exploited by them for their own selfish purposes. [Applause.]

Mr. RANSLEY. Mr. Chairman, I yield 15 minutes to the gentleman from Arizona [Mr. DOUGLAS].

Mr. DOUGLAS of Arizona. Mr. Chairman, I have listened with a great deal of interest to the argument of the gentleman from Texas. It is predicated on the assumption that the board

shall consider the plants to be unadapted to the production of fertilizer. It is further predicated on the assumption that all of the surplus energy is to be sold to the Power Trust. It is further predicated on the assumption that there is no language in the bill prohibiting the leasing of any portion of the properties to any private power distributing company. With respect to the first assumption I do not recall ever having said, and I do not recall having heard anyone else say, that the plants are not adapted to the production of fertilizer at the present time.

Mr. GARRETT. Will the gentleman yield?

Mr. DOUGLAS of Arizona. Yes.

Mr. GARRETT. Did not I ask the gentleman as to who would determine the adaptability, and did he not answer, the board?

Mr. DOUGLAS of Arizona. Exactly. The board shall determine whether the plants are adapted to the production of fertilizer or whether they are not. Apparently the Fertilizer Trust considers that there will be a great amount of fertilizer produced under this bill, and I call the attention of the Members of the House to the advertisement that was published in the Washington Post of this morning.

Mr. WRIGHT. Will the gentleman yield?

Mr. DOUGLAS of Arizona. I have a very limited amount of time and I am trying to explain the bill, but I yield.

Mr. WRIGHT. Does the gentleman think the Fertilizer Trust is always in earnest?

Mr. DOUGLAS of Arizona. I have not the faintest idea. I never came in contact with the Fertilizer Trust except before the Committee on Military Affairs. It seems to me the Members of the House should bear in mind that under the Ford offer there was no commitment to produce one pound of fertilizer, if Mr. Ford, in his discretion, found it to be uneconomical, and I refer the Members of the House to the hearings before the Committee on Military Affairs in which that statement was distinctly made. Further, I call the attention of the Members of the House to the provisions of the Cyanamid bill, which provided that if there were 2,500 tons of fertilizer in storage and the market did not demand a larger production that no larger production would be required of the lessee. Now, this bill goes farther than either of them because it provides that regardless of market demands there must be produced at least a given amount annually, to be determined by the board. Further, it provides that regardless of market demands there must be produced 10,000 tons in the first three and a half years. Bear that in mind. In addition, bear this in mind, that both the Ford bill and the Cyanamid bill committed the United States to an expenditure of approximately \$50,000,000, whereas this bill commits the United States to an expenditure of not a cent.

With reference to the second purpose to be accomplished by leases, the committee felt that these properties and the power to be generated at the properties should be dedicated to first, the production of fertilizer; and, second, the development of industries. The language of the bill makes it possible for a person who might choose to manufacture fertilizer at Birmingham, by using the escaping gases from coke ovens, to become a lessee.

Further, under the language of the bill, a person who owns a deposit of bauxite or of zinc or of some other mineral or who owns an industry and who may want electrical energy for the beneficiation of his mineral deposit or for the operation of his industry, may become a lessee under this act.

With respect to surplus energy the committee felt it should be dedicated to municipalities. Surplus energy is that amount of energy which is not required by the lessees. The price to be paid by the municipality in the event there is some conflict between the lessee and the municipality is to be fixed not by the lessee but by the Federal Power Commission.

The committee in drafting this provision appreciated that by virtue of the fact the lessee would control the surplus power, it might have the authority to prevent the municipality from getting power, and in order to protect the municipality it was specifically provided that in the event of a controversy with respect to rates or with respect to allocation, the Federal Power Commission should decide the controversy.

Mr. LAGUARDIA. Would they not decide it originally?

Mr. DOUGLAS of Arizona. I doubt if they would have the authority unless it was specifically granted to them.

Mr. LAGUARDIA. Would the gentleman agree to such an amendment?

Mr. DOUGLAS of Arizona. Would the gentleman ask his question at the completion of my remarks because my time is so limited.

Thirdly, may I point this out to the committee. There are two different questions when one speaks of lease and sale of

electrical energy. The bill specifically provides that no part of the property shall at any time be leased to any private power-distributing company. This precludes the Alabama Power Co., any creation of the Alabama Power Co., any corporation allied with the Alabama Power Co., or with any other power company, and I ask the Members of this House to sincerely bear this in mind.

The bill does, however, permit the sale of surplus electrical energy; that is, electrical energy over and above the requirements of the various lessees and over and above the requirements of the municipalities to private power-distributing companies, but then only for 10 years; and the bill further makes such power sold to such power-distributing companies available to any municipality that may want it, provided it makes application for the power two years prior to the expiration of the contract with the private power company.

In this respect there is only one difference between the provisions of this bill and of the Norris bill. The Norris bill permits the sale of electrical energy to private power-distributing companies for periods of 10 years, but it does do this: It provides that if a municipality makes an application for power, then the power under contract to the private power-distributing companies shall be available to the municipality within two years or at the expiration of two years, and that is the only difference between the provisions of this bill and the Norris bill with respect to the sale of power to private power companies.

Mr. MORTON D. HULL. Will the gentleman yield for a question?

Mr. DOUGLAS of Arizona. Would the gentleman mind asking the question after I have finished? My time is very limited.

The fourth purpose of the lease is that the properties be maintained in the interests of national defense.

It is my opinion, and it is the opinion of the Committee on Military Affairs, that so far as the purposes of the lease are concerned they are to do the following things: To provide for the production of fertilizer; and, in our opinion, it does this to a greater extent than any bill which has heretofore been considered by the Congress; and, secondly, to building industries in the Tennessee Valley.

The Committee on Military Affairs felt that the Muscle Shoals properties could be used to the greatest advantage of the South by dedicating them to industrial purposes. That is what this bill does.

There is, however, another thing which the bill does. It provides that the lessee must construct the Cove Creek Dam under the terms of the Federal water power act.

The purposes of Cove Creek Dam are, first, to double the primary power at Muscle Shoals as well as to double the primary power at every site between Muscle Shoals and Cove Creek—Cove Creek, incidentally, is 300 miles upstream from Muscle Shoals—secondly, to control the flood waters of the Tennessee River, and, thirdly, to improve navigation on the Tennessee River.

The bill provides that the board shall determine the extent to which this dam will improve navigation and control the floods and that to the extent of such improvement in navigation and reduction in floods the United States shall make a contribution to the construction of the Cove Creek Dam. It provides that the amount of this contribution shall be made by way of remittance on the rental which the lessee must pay for the Muscle Shoals properties.

Mr. LAGUARDIA. It amounts practically to the Government building the Cove Creek Dam.

Mr. DOUGLAS of Arizona. Well, that is an engineering question which I am not qualified to answer at this time. I would say not.

Mr. WAINWRIGHT. Right on that point I wish to ask the gentleman whether the Government will get back the amount it contributes by amortization?

Mr. DOUGLAS of Arizona. I am coming to that. The bill provides that the cost of the Cove Creek Dam, both to the United States and to the lessee, shall be paid, at least in part—this is the exact language of the bill—by the collection of a royalty from all dams constructed below it, the amount of the royalty to be in proportion to the advantages accruing to such downstream projects.

The situation then is this. I have tried to roughly graph it, because it is the clearest way of presenting the picture. We have here the Cove Creek Dam [indicating], the estimated cost of which is, we will say, \$37,000,000, and we will assume, just for the purpose of this argument, that the contribution of the United States to the construction of Cove Creek Dam is \$10,000,000. This \$10,000,000 over the course of years is to be paid to the lessee in the form of a remittance on the rent for Wilson Dam.

The United States, however, does not pay the \$10,000,000 immediately to be applied against the cost of construction. The lessee pays the \$10,000,000; he is to be remunerated by way of remittances, so that there is no direct drain on the Treasury of the United States.

What has Cove Creek Dam accomplished for Wilson Dam? It has doubled the primary horsepower, it has increased the primary horsepower by 80,000 horsepower. The lessee must pay Cove Creek a royalty on the amount of increase, and the United States gets its proportionate share of the royalty. That is in respect to Wilson Dam. In between Wilson Dam and Cove Creek there are 11 additional dam sites.

The licensees who construct the additional dam site must pay a royalty to Cove Creek by virtue of the fact that their primary horsepower has been doubled, and the United States shares again in that royalty. That is the financial structure of Cove Creek Dam.

The bill provides that at the expiration of the license—and mind you, no license under the water power act can be issued for a period of more than 50 years—the bill provides that at the expiration of the license the State of Tennessee shall have the right to recapture the dam by paying the net investment.

But in the event that the State does recapture the dam, it must operate it under the terms of the water power act, subject to the paramount right of the United States to control the Tennessee River in the interest of navigation.

The CHAIRMAN. The time of the gentleman from Arizona has expired.

Mr. RANSLEY. I yield the gentleman three minutes more.

Mr. DOUGLAS of Arizona. The question comes up immediately, what are the rights of the United States in this dam or in the operation of the dam? First, the right of the United States during the period of the license is to control its operation in the interest of navigation. The interest of navigation is synonymous with the interests of flood control and of doubling the horsepower at every dam lower down on the river.

Second, during the period of the license the United States has a right to condemn the dam under the terms of the Federal water power act.

At the expiration of 50 years it has the right to recapture the dam if the State does not exercise its right. If the State of Tennessee does exercise its right the United States has the power to control the operation of the dam in the interest of navigation. What are the rights of Tennessee during the 50 years' license—if that be the period? The State of Tennessee shall have the right to tax—an inherent and precious right of a State—and shall have the right to control the rates of power generated, although there will be but a very small amount of primary power.

It has the right to determine, in cooperation with the Federal Power Commission, the royalty to be collected from downstream dams.

Fourth, it has the right to acquire the plant at the expiration of 50 years of the license.

I think the House should understand that this bill with respect to Cove Creek Dam amends the water power act in two respects. First, the water power act provides that the royalty shall be determined by the Federal Power Commission. This bill provides that the royalty shall be determined by the Federal Power Commission acting jointly with the proper agency of the State of Tennessee. The committee felt that the right should be in the State; and if so, it conferred it. Second, the amount of royalty is proportionate to the benefits accruing, whereas under the Federal water power act the amount of royalty is rather an indefinite amount.

Thirdly, the water power act does not explicitly give the State the right to recapture, though it may do so by implication. This bill explicitly confers on the State the right to acquire at the expiration of 50 years. [Applause.]

The CHAIRMAN. The time of the gentleman from Arizona has again expired.

Mr. DOUGLAS of Arizona. Let me say in conclusion I have tried to give you a fair, honest statement so far as I have gone. [Applause.]

Mr. QUIN. Mr. Chairman, I yield 20 minutes to the gentleman from Alabama [Mr. HILL].

Mr. HILL of Alabama. Mr. Chairman, coming as I do from Alabama, the State in which Muscle Shoals is located, I know of nothing that would give me more pleasure than to be able to rise on this floor and advocate the passage of the pending bill as it is. The people of Alabama, after 10 years of delay, after 10 years of heartbreaking disappointment, most earnestly desire action and disposition of Muscle Shoals. They are entitled to action, but they are also entitled to the right and proper kind of action. Had the members of the Committee on Military Affairs who reported the pending bill and those leaders of this

House who seem to have such a magic influence with those members of the committee desired action on Muscle Shoals at this session, they would have sent to the floor of this House not the pending bill but the bill as passed by the Senate with perhaps certain amendments to it. The bill that passed the Senate passed that body by a vote of 45 to 23. Two years ago that same bill passed the Senate by an overwhelming vote. The Senate as a body is committed to that bill, but instead of taking that bill and amending it as we might see fit, the majority members of the Committee on Military Affairs, under the influence of the leaders of this House, have thrown everything in the Senate bill out of the window and brought in here an entirely different bill. The Committee on Military Affairs could have taken the Senate bill and amended it to provide for a leasing of the nitrate plants, but kept the operation of the hydroelectric facilities at Muscle Shoals in the hands of the Government of the United States. If such a bill had been brought to this floor, no new precedent would have been set, no new policy would have been established, because such a bill would have followed the precedent and the policy established by this House just two years ago in the passage of the Boulder Dam bill. It would seem, in view of the shocking revelations before the Federal Trade Commission and the Senate lobby committee that patriotic, right-thinking Americans would support the idea of having the Government of the United States keep its strong hands upon the power switch at Muscle Shoals. Had such a bill as that been brought to this House we could have looked with confidence to the disposition of Muscle Shoals at this session of Congress, and then we would also have been assured that the Power Trust, exposed before the country in all its greed and cupidity, would never have gotten its hands on Muscle Shoals, built by money from the pockets of the people of this country.

The question has been asked as to which bill we prefer, the Norris Senate bill or the House committee bill? I wish to say that the fertilizer provisions of the Norris bill are not what I would have them. They are not as strong as they should be, but between the two bills there is absolutely no choice for me. The Norris bill keeps the hands of the Government of the United States on the power at Muscle Shoals, preserves that great project for the benefit of the people of the country whose money built it; whereas the committee bill gives every indication, practically gives every assurance, that the people's property at Muscle Shoals will be turned into the hands of the selfish Power Trust, resulting in no benefits whatever to the people.

Mr. REECE. Mr. Chairman, will the gentleman yield?

Mr. HILL of Alabama. For a short question.

Mr. REECE. I would like the gentleman to explain in what way that could happen.

Mr. HILL of Alabama. I am coming to it as fast as I can, and will reach it in a minute. We recall, gentlemen, that the national defense act of 1916, under which the Muscle Shoals project was constructed, specifically dedicated that project to the manufacture of nitrates for fertilizers for the farmer in time of peace. In 1927 the late lamented Martin B. Madden said "the farmers of this country are asking for fertilizer relief at Muscle Shoals; they have a right to ask it, because we have promised it to them." For 10 years the farmers of this country and their representatives in Congress have waged a tremendous battle in the hope that Muscle Shoals might be disposed of for the benefit of the farmer in accordance with the intent of the national defense act of 1916, rather than that there should be a disposition for the benefit of the Power Trust and the Fertilizer Trust. What does this pending bill do? It does violence to and runs contrary to practically every principle laid down for the disposition of Muscle Shoals for the benefit of the farmer, and I would that I had the time to tell you how this bill came to the floor from a subcommittee of five members of the full committee. Three of these five members were new men on that committee. While men who had sat on that committee for years, through long weeks and months of hearings and labor in an effort to dispose of Muscle Shoals for the benefit of the farmer were passed over, three new men were put on the subcommittee. What had been the predominant thought on that committee for 10 years was cast aside, and men who advocated that thought were given but one voice and one vote on that subcommittee of five.

The gentleman from South Carolina [Mr. McSWAIN] and the gentleman from Texas [Mr. GARRETT] have told you of the principles which the Military Affairs Committee laid down to be adhered to in any lease of the property at Muscle Shoals. The House ratified those principles in 1924 when it passed the Ford offer. The House again ratified those principles in 1925 when it set up the Muscle Shoals inquiry, and the House again in 1926 ratified those principles when it set up the joint committee.

These principles are not so important because they were laid down by the Military Affairs Committee or because they were ratified by this House, but they are most important in the fact that only by an adherence to them can the farmers of the country expect or hope for any fertilizer relief from Muscle Shoals.

Whenever you throw aside those principles, as they have been cast aside in the pending bill, then you strike down, you shatter, all hope of fertilizer relief for the farmers at Muscle Shoals.

Mr. SLOAN. Mr. Chairman, will the gentleman yield right there?

Mr. HILL of Alabama. I will yield for a question.

Mr. SLOAN. Has there been any minority report by any member of the Committee on Military Affairs of opposing views, except that of the gentleman from South Carolina [Mr. McSWAIN]? I ask for information alone.

Mr. HILL of Alabama. Only the report of the gentleman from South Carolina.

Mr. OLIVER of Alabama. Mr. Chairman, will my colleague yield?

Mr. HILL of Alabama. Yes.

Mr. OLIVER of Alabama. The committee, however, is not united on this bill.

Mr. HILL of Alabama. Certainly not. I think the debate to-day has proven that very conclusively.

Now, gentlemen, with further reference to these principles, we have heard much talk about cutting in half the price of fertilizer to the farmers of this country by the operation of the plants at Muscle Shoals. Expert after expert, from Mr. Mayo, the engineer for Henry Ford, all down along the line, have said to the Committee on Military Affairs that by an adherence to these principles the cost could be cut in half. The Muscle Shoals inquiry report, based upon a thorough study and investigation in 23 States, stated in 1925 that there could be a reduction of 43 per cent in the cost of fertilizer to the farmers by an adherence to these principles.

What is the first of these principles? Obligation of the lessee to manufacture fertilizer in the strictest terms. What do we mean by these terms? First and foremost, we mean that any lessee who is to go there and get that cheap power must be required to manufacture fertilizers at Muscle Shoals. If you do not require the lessee to manufacture fertilizers at Muscle Shoals, any limitations that you might attempt to put upon him would be abortive if he manufactures it anywhere other than at Muscle Shoals, be it at Birmingham, or elsewhere.

Next, there is the limitation of 8 per cent on the profits. Then the requirement of a minimum annual production of 40,000 tons of fixed nitrogen in such fertilizer form that the farmer can buy it and spread it on his crops himself. And next, an auditing system, so as to make sure that the lessee is carrying out the obligations of the contract.

In the bill that we have under consideration there is absolutely nothing to insure any requirement or any guaranty that a minimum amount of fertilizer will be made at Muscle Shoals under the limitations.

Another provision laid down by the committee is—

Mr. BYRNS. Mr. Chairman, will the gentleman yield there?

Mr. HILL of Alabama. Yes.

Mr. BYRNS. It has been stated here that we will get no fertilizer under the Norris bill except for experimental purposes. Other gentlemen say we will get nothing under this bill.

Mr. HILL of Alabama. The gentleman evidently was not here when I began my remarks. I said that I did not believe that the fertilizer provisions in the Norris bill were as they should be, but that the difference between the two bills was simply this: Everything evidences and indicates that under this pending bill Muscle Shoals will go into the hands of the Power and Fertilizer Trusts, and go there forever, never to be reclaimed, whereas under the Norris bill the Government of the United States still keeps its hand on every kilowatt of power and every hydroelectric facility at Muscle Shoals. Under the Norris bill it is for you and me and other Members of Congress to operate the Muscle Shoals plants as we see fit, and they are held and preserved for the farmers and the people of the United States. The committee laid down the principle that there should be but one lease for all the properties at Muscle Shoals, and that in the event the lessee failed in any of his obligations under the lease he should forfeit all those properties. Under the pending bill the property at Muscle Shoals may be turned over to many lessees. It may be divided into many parts, and if you should get some one to go there and contract to make fertilizer and he did not carry out the provisions of the contract, all you could get back would be simply that power which he happened to be using for manufacturing fertilizer. All the rest of the power under this bill would have gone into the hands of the

other lessees. Whenever you separate this project, whenever you break it up and divide it into pieces, you encompass the defeat of the very end for which the project was constructed.

We are told that there is some doubt about the feasibility of the operation of the Muscle Shoals plants and that perhaps they are obsolete. Well, that is the same cry that we have heard for 10 years from the Power Trust and the Fertilizer Trust. It is heard to-day, as it has been heard every day during this long period of 10 years.

The big plant at Muscle Shoals, nitrate plant No. 2, with its annual capacity of 40,000 tons of fixed nitrogen, uses what is known as the cyanamide process. Is that process obsolete? At Niagara Falls the American Cyanamid Co., using exactly the same process, has doubled its plant six times during the last 18 years, and is to-day turning out annually by that process an amount of nitrogen that is nearly 50 per cent more than the full capacity of nitrate plant No. 2 at Muscle Shoals. In the world to-day there are some 42 cyanamide plants in successful operation and the only cyanamide plant in the world to-day that is standing idle is our plant at Muscle Shoals. The Chemical and Metallurgical Journal of June, 1928, states:

The fixation of nitrogen by the cyanamide process has steadily increased; in fact, by a larger percentage during the last two years than by any other process, and this is true despite the claims made by some that the cyanamide process is obsolete and no longer a factor in nitrogen production. \* \* \* Some have inferred that the direct synthetic process is replacing all other processes, a conclusion which is wholly unwarranted. \* \* \* To assume that any one system is doing away with development by all other processes is a fallacious conclusion.

Reports from the Department of Commerce under date of January 23, 1928, show that in Germany, which is manufacturing more nitrogen than all the rest of the world is producing, including Chile, they are manufacturing nitrogen more cheaply by the cyanamide process than by any other process.

The CHAIRMAN. The time of the gentleman from Alabama has expired.

Mr. QUIN. I yield the gentleman five additional minutes.

Mr. HILL of Alabama. If you leave this bill as it is you get no fertilizer production at Muscle Shoals. What lessee will go to Muscle Shoals to make fertilizer and subject himself to the limitations required of him, when he can get that power simply by setting up some kind of a 2 by 4 fertilizer plant off of the Muscle Shoals reservation, with no limitations whatsoever imposed upon him? It is suggested in the report of the majority and it is suggested on this floor to-day by the spokesman for the majority that under this bill we may get fertilizers manufactured at Birmingham. The press reports tell us that while this bill was in the process of being drafted a representative of the Southeastern Light & Power Co. visited one member of the subcommittee and said to him, "If you pass the bill as is we will make fertilizers in Birmingham."

Why is the Southeastern Light & Power Co. saying, "We will make fertilizers in Birmingham"? Nearer to Birmingham than Muscle Shoals, is the vast power of Mitchell Dam, of Martin Dam, of Jordan Dam, and other dams owned by them in Alabama. Why do they not use at least some of that power for the manufacture of fertilizers? If this bill passes they will set up a little fertilizer plant away from Muscle Shoals, subject to none of the limitations as to the manufacture of fertilizer, and through that procedure, get their hands on the vast power at Muscle Shoals, and deny all benefit from it to the farmers of this country.

What is the American farmer facing to-day in the purchase of the nitrogen which he absolutely must have to make his crops? There is a very interesting article from the New York Times, under date of December 17, 1927. The headlines are:

NITRATES PARLEY TO BE HELD AT SEA—GERMANS INVITE NITROGEN INDUSTRY LEADERS FROM FIVE COUNTRIES ON A MEDITERRANEAN CRUISE—HOPE TO PERFECT ENTENTE—AMERICANS, FRENCH, ENGLISH, NORWEGIANS, AND PROBABLY ITALIANS WILL DISCUSS COOPERATION

The story follows:

PARIS, December 16.—The first International Trade Conference ever held upon the high seas will get under way within the next 10 days when the leaders of the nitrogen industries of the United States, Great Britain, France, Germany, Norway, and Italy leave Marseilles aboard a luxurious private yacht for a three weeks' cruise on the Mediterranean. Heads of the German nitrogen trust, who are promoting the unique meeting, hope that an international nitrogen entente will have taken definite form by the time the ship returns to the French port.

The yacht has just been chartered by Herr Bueb. Orders have been given to stock it with the finest wines, champagnes, and all the delicacies of the season. Nothing will be left undone to make the voyage a happy

one. Although a considerable portion of each day will be spent in going over the outstanding issues between the various national groups, frequent stops will be made at attractive Mediterranean places to relieve the strain of the daily sessions.

It is understood that representatives from all nations mentioned above have accepted with the exception of Italy, which is expected to join the others in a few days. According to very reliable information, the American synthetic nitrogen industry will join the cruise, although efforts are being made to give the impression that Americans are not participating, since American laws prohibit industries from becoming parties to international trade agreements.

If any additional evidence of Germany's eagerness to create a nitrogen trust were lacking, the international ocean meeting supplies that lack. The originality of the invitation so intrigued the national groups, it is said, that acceptance was almost immediately assured.

All but half a dozen points have been agreed upon between the respective members, but several of these are causing a delay which is irritating the Germans. Hence, the idea of transporting all concerned to the salubrious atmosphere of the Mediterranean, away from interruptions and routine life.

The CHAIRMAN. The time of the gentleman has again expired.

Mr. QUIN. I yield the gentleman three additional minutes.

Mr. HILL of Alabama. Now, gentlemen, the article I read you was under date of December 17, 1927.

The Wall Street Journal, under date of June 29, 1929, tells of the success of the efforts to form the combine, and says "World's nitrate combine formed." The farmer, facing a world combine of the nitrogen producers, is here to-day asking that Congress make good, as Martin Madden said, the promise that the Congress made to him, to give him cheap fertilizers at Muscle Shoals. And instead of the committee and the leaders of this House bringing in a bill that would do this, we find a bill here that will inevitably turn the properties over to the Power Trust and the Fertilizer Trust.

If you need any better evidence of what I have said to you, I ask you this question: Where to-day are the highly paid lobbyists of the Power Trust and the Fertilizer Trust?

Two years ago, when we brought on the floor of this House a bill that required real manufacture of fertilizers at Muscle Shoals, those lobbyists filled the galleries. They swarmed the lobbies of this Capitol. They literally burned up the telegraph and telephone lines and the air mail lines sending protests to us against the bill. To-day we hear nothing from them, and the only thing we see is an advertisement in this morning's Post protesting against the bill; not a letter, not a telegram, not a telephone message, not a lobbyist; just an advertisement in the morning paper. That advertisement was not meant for intelligent Members of Congress. It was meant for the sucker. It is a decoy. Had they been in earnest in their opposition to the bill, they would have done what they did two years ago. They would have swarmed these lobbies and filled these galleries and their seats with their paid agents and their lobbyists.

What the pending bill does is to find the promised land of fertilizer, carry the farmer up on the heights, let him look down on this land, but turn the Fertilizer Trust and the Power Trust into the promised land rather than the farmer. [Applause.]

Mr. STAFFORD. Mr. Chairman, with the consent of the gentleman from Pennsylvania [Mr. RANSLEY], I yield myself 15 minutes.

Mr. Chairman, the subcommittee of the Military Affairs Committee, charged with the responsibility of framing a bill for the practical disposition of Muscle Shoals, labored long and faithfully for three weeks, morning and afternoon, and even on one occasion on Sunday.

The subcommittee was in session trying to draft a practical bill. After weeks of consideration, a bill was submitted to the full committee, and by that committee virtually approved as recommended by the subcommittee.

The full committee of the Committee on Military Affairs, from its organization in January, has been giving hearings to the Muscle Shoals proposition, first, at the direction of the chairman [Mr. JAMES], who, unfortunately, in the middle of January, became invalided, to consider the bill proposed by the American Cyanamid Co. Hearings continued three and four times each week for several weeks in explanation of that legislative leasing bill. To you gentlemen I wish to say I could not subscribe to that bill, which has been advocated, in a way, if not in toto, by the previous speaker [Mr. HILL], because it would have surrendered absolutely the rights of the Government to one concern, with only a return of 2 per cent on the Government's investment and with no assurance whatsoever that fertilizer would be manufactured after a certain minimum quantity had been produced.

There are two divergent views as to the operation of Muscle Shoals, one presented by the Senate resolution, sponsored by Senator NORRIS, for Government operation. The major premise of that proposal is leasing the water power. Fertilizer is a minor incident.

I regard the gentleman from South Carolina [Mr. McSWAIN] an expert on this proposition, because he has been studying it for years and years. He stated directly on the floor of this House that under the Senate resolution not one ounce of fertilizer would be required to be produced for sale. There are provisions providing for experimentation, but the experts of the Department of Agriculture say that those experimentations could just as well be carried on in Washington as at Muscle Shoals.

I have been in business. During the six years I was last out of Congress and during the entire 25 years I have been practicing law, I have been giving attention to business affairs. I came to the consideration of this project with an open mind, unprejudiced whatsoever against the Southland. I have brought myself around to a proposition which I believe is in the interest of the Southland. If this great water power was in the State of Wisconsin I would advocate one proposition, but as this great water power is in the midst of the greatest mineral deposits of the country, capable of untold development, I am advocating what I sincerely believe is for the best interests of the development of the Tennessee Valley.

I yielded in my opinion as to whether we should require in that connection the construction of Cove Creek Dam, a \$38,000,000 storage proposition. At the beginning I thought we should only utilize the existing plant at Muscle Shoals Dam No. 2 and nitrate plants No. 1 and No. 2.

In my study of the question I found that, if we really wanted to make Dam No. 2 a practical business proposition, we should increase its power twofold by building the Cove Creek Dam 300 miles up the river, not only increasing the available power at Dam No. 2 twofold, but also that at the 11 dams that can be constructed between Cove Creek and Dam No. 2 and the two dams below Dam No. 2. A letter from Captain Riley, the assistant engineer at Florence, in charge of the water-power end of this proposition, shows that, with the addition of Cove Creek Dam, the present power at all these various dams would be increased from 378,000 horsepower to 712,000 horsepower, or an increase of 334,000 horsepower; that at Muscle Shoals alone with the existing units—because there are only 8 turbines at present installed, but there is provision for the installation of 10 additional turbines—there will be an increase from 88,500 horsepower to 150,000 horsepower by the building of the Cove Creek Dam. The Federal Power Commission has withheld authorization for the granting of licenses for construction of dams between Cove Creek and Dam No. 2 because they wished to know what disposition Congress was going to make for Cove Creek Dam. Under this bill we make it mandatory on the lessee or lessees, through a holding corporation, to build Cove Creek Dam.

It was my thought that instead of leasing this Muscle Shoals project to one lessee—as was contemplated in the American Cyanamid bid—it should be leased to several lessees, and the representative of the War Department, who has given more consideration to this subject than any other man at the War Department, Colonel McMullen, came before the subcommittee and justified the proposition I had submitted. I did not wish this great power to fall necessarily into the hands of one great chemical combination in this country. So we provide for a contract or contracts of letting. Originally it was limited to contracts to let and demise, but upon the suggestion of the gentlemen from Pennsylvania [Mr. COCHRAN], that Henry Ford might under the provisions of this leasing proposition come in and avail himself of them, and because Henry Ford was driven out of competition for this great property, on account of certain conditions that were placed upon his leasing proposition by the Senate of the United States, I receded and agreed to authorize, also, a single contract of letting of all the properties.

We are now submitting a practical business proposition to the Congress and to the country. If I were playing politics, my fellow Members, I would vote for the Norris resolution. It goes without saying that in my State, government operation is popular; but I would be stultifying myself as a Member of this House if I voted for something that would advance me politically, when I know it would not be workable and would not be of benefit to the southern country. [Applause].

When these big propositions have come before the Congress in my service here I have always tried to place myself in the position of the people where the project is located. This was the position I took in the case of Hetch Hetchy, Calif. I tried to view the situation from their standpoint, and I can say

sincerely to you southern gentlemen that in this proposal I have joined in submitting what I regard, as a Representative of this House with some business experience, will do most for the development of that great valley, the Tennessee River Valley.

It is possible to let these properties in individual units, but the first thing we lay down as a fundamental, as a postulate in the leasing of these properties, is that those properties that are adaptable to the manufacture of fertilizer shall be used in the production of fertilizer and fertilizer bases.

What properties does this refer to? Nitrate plant No. 1 was constructed during the war and never operated. This plant was constructed at an expense of something like \$12,000,000 for the manufacture of nitrogen under what is known as the Haber-Bosch process. This is the process that to-day is being more universally used in the manufacture of fixed nitrogen than any other process.

It is the process used by the American Dye & Chemical Co. at Hopewell. It is the process that Germany is using in the production of fixed nitrogen. This plant is the minor plant of the two that may be used for the manufacture of nitrates.

The other plant adaptable to the manufacture of nitrogen is nitrate plant No. 2, and on that plant the Government has spent, including the auxiliary steam power plant, \$70,000,000. This can only be used for the manufacture of nitrogen by what is known as the cyanamide process, and that process, to my way of thinking, from the testimony of the experts, including the experts of the Department of Agriculture, is an obsolete process.

Now, what do we do? What do we say to this board that is composed of three members, one of whom, bear in mind, shall be identified with agriculture? We place one of these eminent citizens on this board specifically to look after the interests of agriculture and we do not allow any contract of letting to be entered into unless two approve of it and on certain conditions unless all three agree. We want this man, as far as we can go as a practical proposition, to see that the interests of the farmers and of the farming class are safeguarded in any lease that is to be negotiated.

In laying down the norm of conditions under which this board shall operate, we have not laid down conditions that we believe will make impossible a lease or leases being entered into. How ridiculous it would be for us, as practical legislators, to come into this House and offer a proposition with all kinds of fanciful provisions in it which secretly we know would not result in a lease. But we do provide, as the gentleman from Arizona and the gentleman from South Carolina pointed out, certain preferential benefits to the lessee of nitrate plant No. 1 or to the lessee of nitrate plant No. 2. We give them certain preferential advantages and safeguard their interests in the manufacture of fertilizer, by providing that those plants that the leasing board may find to be economically adapted to or susceptible of being made economically adapted to the fixation of nitrogen shall not be charged with any amortization allowances in wiping off the valuation of either of those plants.

The CHAIRMAN. The time of the gentleman from Wisconsin has expired.

Mr. RANSLEY. Mr. Chairman, I yield the gentleman five minutes additional.

Mr. OLIVER of Alabama. Will the gentleman yield for a question?

Mr. STAFFORD. I hope the gentleman will pardon me.

Mr. OLIVER of Alabama. For a question on something the gentleman has emphasized.

Mr. STAFFORD. For a brief question, please.

Mr. OLIVER of Alabama. The gentleman called the attention of the House to the fact that the board was required in making a lease to have all agree and approve it, but the gentleman failed to call attention to the fact that this one member representing agriculture is not to be consulted in that way when it comes to determining whether or not the plants are economically adapted to the manufacture of fertilizer.

Mr. STAFFORD. He has the same voice as the other two members and he is placed there for the purpose of looking after the interests of agriculture. As to the board of three provided under the Norris bill, it is not required that any of the three shall be men identified with agriculture. Why, that bill even hamstring the board that it creates so that they will not be allowed to work more than 150 days in any one year. The House does not make any limitation as to the number of days this board should exercise its function.

The board as an initial step is required to appraise the properties, individually and in parcels, so as to see, from a business standpoint, whether nitrate plant No. 1 is utilizable as a separate entity and whether nitrate plant No. 2 is also utilizable separately.

One great objection to the Norris proposition is this: It will hold in reserve that great water-power development without any

bidders. The testimony of Captain Daley before our committee was that there has been no demand from any municipality or anybody else except for one small unit of power, too small to consider practicable to let. I have a letter from the mayor of Nashville in my office, which states that they produce their own power. The municipalities in an economic distance, and also most industries, are tied up with long-term contracts for the power they need.

The Norris bill would naturally hold the water power in abeyance without any substantial bidder. We provide a practical business arrangement for the lease of power, and we also provide that the leases for the surplus power to any power-utility company for subletting shall not be for a greater term than 10 years, and that at any two years prior to the expiration of the term the contract shall cease if there is demand for such power from any State or municipality or any governmental division.

We have gone the limit to make provision for municipal use of this power whenever they apply for its use. We prescribe the scale of charges that may be levied to such municipalities and governmental bodies, and leave it to the Federal Water Power Commission to determine the scale of rates.

Now, as my time is about coming to a close, I think the explanation given by the gentleman from Arizona [Mr. DOUGLAS] of this bill, and other members of the subcommittee, leaving out the explanation that I have made for our consideration, justifies the action of the acting chairman of the committee in appointing the five members to submit a practicable leasing proposition which the full committee almost adopted in toto. As the bill is taken up under the 5-minute rule, I think Members of the House will be convinced as we go along step by step that we have presented a most reasonable, practicable proposition from a business standpoint for the disposal of this great project that was erected as a war project, to be utilized in times of peace for fertilizer production and in times of war for manufacturing explosives, that has ever been presented on the floor of the House or considered by any Congress.

I say in closing that this proposition should merit the approval of every person who has the welfare of the farmer at heart. This bill, or some like it, I hope, will be passed at this session of Congress; if it is not, it will not be the fault of the sincere Members of the House who want something practical done with this great project. [Applause.]

Mr. QUIN. Mr. Chairman, I yield 30 minutes to myself. Gentlemen of the committee, this is a sad hour to me—as long as we have had this great project under consideration to finally come to the point where the United States Congress seems ready to surrender this great governmental activity—turn it over to the aggregation of combined wealth.

Every bill that we have had before has endeavored to sustain the original intent of the national defense act, but this, my friends, could not receive my vote on the committee nor can I support it here.

It is not because my heart is not in the project of Muscle Shoals, it is not because I believe that the people of the United States are going to be benefited by this bill, but because, in my judgment, the United States is going to surrender its most valuable asset in the South and allow the plunderers and exploiters to take charge of it for the next 50 years.

We had a measure placed before our committee that came from the Senate—the Norris resolution—that provided that the Government of the United States should keep its hands on this \$167,000,000 project and manufacture fertilizer in time of peace to be sent out to the farmers throughout the United States and agricultural colleges, and to manufacture nitrates to go into the soil to produce crops; and the excess surplus power to be distributed to farms and municipalities and industry in that section under the control of the Federal Government.

The Committee on Military Affairs, of which I have had the honor to be a member for the last 17 years, had its subcommittee ready to report with an alternative proposition the Norris resolution with the lease proposition, and the Republican leaders in control of this House said, "No; you can not bring that out."

And you have that makeshift bill here to-day under this rule, where you are not permitted to vote for the Norris resolution, but you first must vote down this bill reported under the name of Norris for this House to consider. After it is voted down, then the House can vote up or down the Norris resolution, the only phase of the matter that can possibly pass the Senate of the United States. It passed the Senate by a majority of over 2 to 1 and yet it is ignored by this House. Let us see what we are doing. The United States gave away millions on top of millions of dollars in grants of land to the railroad corporations. The United States has parted from all its ownership in oil, coal, gold, silver, lead, copper, minerals. All of its timber is gone, and the last thing that we have left in all the Southland

is the water power of the Tennessee Valley, 1,300,000 kilowatt-hours, lying dormant in that great southern valley, that ought to be kept and preserved for the people of that section of the country. And by this bill it is proposed to be turned over to whom? Do you know that the electric-energy corporations are controlled by a shareholding corporation? The Electric Bond & Share Co. of New York controls practically every one of the power companies of the South. It controls some throughout the Middle West. It controls some in the East. All of that section of the country down there is dominated by the Electric Bond & Share Co., and I am informed that its shareholders are practically over across the Atlantic Ocean in Europe. Yet this Congress proposes to surrender this great right that now belongs to the Government for private interests to exploit and hold our people down for years to come.

My friends, this is not idle talk. I put before you these figures that you see on this chart. There you can see the difference between a municipally owned plant and a privately owned plant. We have all kinds of plants in the United States, and this shows a comparison with that in Ontario, Canada. During the year 1925 in the United States it cost 11.5 mills per kilowatt-hour as against 6.1 mills in Ontario, and, in 1928, you have the figures, 13.4 mills in the United States and 6 mills in Ontario. Do you people all believe that the people are getting a square deal? Some say that taxation is the cause. Do you know that right down here in this territory where Muscle Shoals is located we have power companies operating? In the State of Mississippi, from which I have the honor to come, we have the Mississippi Power Co., an ally of the Alabama Power Co., and we have the Mississippi Power & Light Co. from Arkansas and Louisiana. All of them, the Tennessee companies, the Georgia companies, and those that I have named and the Florida companies, are owned and controlled by the Electric Bond & Share Co., of New York; and when you gentlemen vote to turn this power over to this sort of a commission you are turning it over to the Electric Bond & Share Co., to be handled by its agents and subsidiaries in that section of the country. Our power companies down there are about as honorable as any in the United States. In Mississippi and Alabama they have good men at the head of them, but they are in the exploiting game. They are not there for their health. Some people say, and these power companies have said, that municipalities can not run their own light plant and furnish current as cheaply as the exploiting power company can.

Mr. ARENTZ. What do the figures mean on the chart?

Mr. QUIN. They mean the cost of electricity per kilowatt-hour.

Mr. ARENTZ. To whom? To the buyer of electricity for lighting a home or for a factory with tremendous power?

Mr. QUIN. It is the general average for all.

Mr. ARENTZ. Wholesale or retail?

Mr. QUIN. Every kind of connection.

Mr. ARENTZ. I know; but in Washington we pay 11 or 12 cents, and this is mills that the gentleman is speaking of here.

Mr. QUIN. Yes; I know that. I am giving you the average cost, and you see the profit from the charge made in bills to customers. Huntsville, Ala., is within about 20 miles of Muscle Shoals. Here is a bill from a wagon company down there for power furnished it—12,700 kilowatt-hours—and the cost was \$322 for one month. That bill was sent to different cities where the plants are municipally owned, and they said that they would furnish the exact amount of kilowatt-hours for the following figures: Jacksonville, Fla., there would be a saving on that bill of \$74.75. In Seattle, Wash., with water and coal, \$140 difference. In Springfield, Ill., there is a difference of \$118.45, and that is by coal. Jamestown, N. Y., coal, there is a difference of \$31. At Los Angeles, Calif., water, there is a difference of \$142.50. At Cleveland, Ohio, coal, there is a difference of \$7.50, that much cheaper. At Tacoma, Wash., it is \$179 cheaper. This is per month.

These are figures on the same scale submitted as to what the rate would be. And yet people will argue on this floor here now that the water power in this country can not reduce rates. They claim here, from the arguments submitted, that this project in Alabama can not successfully be operated except by some private party concerned.

This great Government in its distress originated the dams. It paid \$167,000,000 of the people's money. We have two great plants there now, with a great dam, and water going to waste; and under the Norris bill this water is to be turned into power by the Government.

Under the project that is put out in the bill by the Committee on Military Affairs what is proposed? It is proposed that Mr. Hoover, President of the United States, is to appoint a commission, not to be confirmed by and with the advice and consent of the Senate, but a commission to do what? To go down

there and see whether the plant is feasible or adaptable to make fertilizer. If it is not, they are the men to determine that. If they decide that they can not make fertilizer, this power is turned loose. To whom? It will be turned over to the Alabama Power Co. If the maximum amount of fertilizer specified in the bill were manufactured, it would not be a drop in the bucket.

Now, I have nothing against any power company; but there is every reason on earth why we, as Representatives of the American people, should see to it that the Government of the United States is protected and that the people who own this property, the taxpayers of the country, shall be protected by this Congress. It was enacted in the national defense act that this power is to be used in time of peace to make fertilizer and in time of war to make explosives, gunpowder, and so forth, to carry on war. Yet this bill, which the committee has brought out, wholly rejects the needs of the Government.

Is there necessity for this plant to be operated? We have tried to get bidders all over the country. Here is one chance to make nitrates, ready to go on the soil to produce crops. Here is one chance to be a lasting competitor against the Chilean Nitrate Trust to make nitrates. Are you going to turn this great project over to private interests, or are you going to stand by the Government of the United States and the farmers of this country and the taxpayers? Your vote on this measure will pass judgment on us as to whether or not we propose to allow the people to be exploited by a few; whether or not this great Government will surrender and supinely say, "We are helpless."

All these years Muscle Shoals has been going to waste, yet private industry everywhere is prospering. Muscle Shoals, controlling the key to the valley of the Tennessee River, and that place yonder, Cove Creek, are in your custody to take charge of. That is in the Tennessee Valley. All the power will be subject to the private lessee after you turn it over to him. In addition to that, the State of Tennessee will get that dam back at the end of 50 years if it wants to. The Government is surrendering up its rights to the State of Tennessee to possess all power that is in that valley. The worst that the Norris bill does is to turn over in compensation and damages to the States of Alabama and Tennessee 5 per cent of the money for their water-power rights.

You propose, under this miserable bill that you have brought out here, to slap the Government in the face and say that after one or two or three or several lessees have used this plant for a number of years the State of Tennessee can take charge of the Cove Creek Dam.

What do you think of the scheme under this bill whereby Muscle Shoals can have one lessor to manufacture one thing and another to manufacture something else, and some fellow over there pretending to make a little fertilizer? That is what you are going to have, and with that the power that is sent all over throughout this country to consumers at a high price.

You need not fool yourselves as to what is in this bill. I want to say that the gentleman from Arizona [Mr. DOUGLAS] did not try to fool you. He told you that the commissioners under this bill had the right to say whether it is feasible or adaptable to the manufacture of fertilizer. You know what will happen. The President of the United States was vested with power to build these dams to manufacture fertilizer.

When we had the bill before the special committees of the House and Senate the Secretary of Commerce and his staff told us that we could not make fertilizer down there. So now we have come to the point where the original scheme to make nitrogen ready to go on the soil is about all we can expect from that plant. Every kilowatt of power there should be used in the manufacture of nitrogen ready to go on the soil to make crops, and in that I believe the President of the United States agrees.

Mr. ALLGOOD. Mr. Chairman, will the gentleman yield there?

Mr. QUIN. Yes.

Mr. ALLGOOD. Is it possible to amend this bill now so as to use this power for the manufacture of fertilizer?

Mr. QUIN. All I know is that the leaders of this House said to us to-day that you could not make a motion to amend this bill and offer a substitute.

We can not tell under this rule what can be done, and if the committee would bring out a bill, and this kind of a rule came in, how do you expect to get justice at this late hour, except to kill this bill outright and then bring the Norris resolution before the House, amend it, and send it to the Senate so that we can get legislation agreed to and send it to the President. The President of this Republic must realize the necessity of something being done in a proper manner with that great project.

Mr. PATTERSON. Will the gentleman yield?

Mr. QUIN. I yield.

Mr. PATTERSON. If this bill is voted down, then the Norris resolution is before the House. Can we amend the Norris bill under the parliamentary situation?

Mr. QUIN. I think we can. In my judgment, the people of the United States have had enough of the influence of great wealth playing its part in this legislation.

Is there a man before me who doubts the powers of aggregations and combinations of capital? Is there a man before me who doubts that great campaign funds are contributed by the special privilege group of public service corporations? For instance, take the contributions of the great captains of industry, the industrial power companies of this country in the last presidential election. They extended all the way from the Atlantic to the Pacific Ocean. Go to the records and see what those men have done, and whether or not they are using any influence in this Congress. Our people must sit supinely down and be run over. The poor helpless men who really make this country of ours, are bound and helpless. The combinations of wealth stand up and kick them down. Now, we come at this critical time and ask the Members of this House, with their eyes wide open, to say whether or not the Government, the taxpayers, the men and women who operate the Government by paying its taxes, are to be further exploited by turning over this great Government activity to exploiters and plunderers.

Mr. YON. Will the gentleman yield?

Mr. QUIN. I yield.

Mr. YON. What is the situation in the present operation of Muscle Shoals? Is it not a lease proposition already?

Mr. QUIN. We have nothing down there except the right to sell power to the Alabama Power Co. It has been that way ever since we finished that dam, and it is going to continue to be that way unless the Congress of the United States recognizes its duty to the people. You understand that in that particular section there should be some development. With all of the latent power in the Tennessee Valley, Cove Creek, and the Clinch River, 11 or 12 dams should be constructed and that power put into industry throughout that section, but it is bound up, helpless right now, because of the selfish greed of the power interests and those allied with them.

Mr. YON. Will the gentleman yield?

Mr. QUIN. I can not yield further.

We can not hope to have anything done except by the votes of the Representatives of the people in this House. Are we going to get them? Are we going to continue to grope around and say, "No, we can not do it because I am against Government operation"? Do you not know the Government already owns that land? The Government already owns that big dam? The Government already owns great nitrate factories down there, which we call No. 2 and No. 1, that were built under the stress of war? It is already a Government activity. Now, what is the Government to do? The Government has the money and it has the machinery. It can employ talent and men to start operating that plant to make nitrogen for the soil, to make nitrogen for the farmer so as to cut down the price which we have to pay in that section of the country.

The fertilizer factories say "We can get nitrogen." This is not in conflict with the interests of any factory. This output down there would be to make nitrogen that is necessary to make fertilizer. We propose to have nitrogen in form and shape, ready to put on the soil to grow cotton and corn and wheat and vegetables and all kinds of crops. All that the fertilizer factories need, if they do not get their nitrogen from Chile, is to get it from the Government at Muscle Shoals. I ask those men in common honesty, "How does that interfere with any fertilizer factory?" According to what I saw happen on this floor once before, we can not make all of the finished fertilizer down there, but you can make nitrogen, and you can make phosphoric acid. You can make the stuff that makes plant food and let the farmers have it and let the fertilizer factories have it, and yet men will sit down and cry all day about the Government going into business.

The Government is already in some kinds of business. Ever since I was born we have been attending to the post-office business. The Government of the United States sends a letter clear down to Beartown, clear over to Sunny Hill. It carries parcel post. It will carry a package of 100 pounds in weight all the way from Washington to Mississippi or Alabama or Florida, and yet some Member will get up and complain about the Government being in business, when we simply ask that this \$167,000,000 which we have standing idle down there shall be put into operation for the benefit of the farmers of this country.

Mr. BYRNS. Will the gentleman yield?

Mr. QUIN. I yield.

Mr. BYRNS. The gentleman is an important Member of the Committee on Military Affairs. I have heard it said with what

appeared to be some degree of assurance, that the President would not sign the Norris bill if it were passed. Has the gentleman any information about that?

Mr. QUIN. If the gentleman does not know the President any better than I do, you can go and see your man Huston from Tennessee. [Applause and laughter.] Mr. Huston has done everything he could to keep Muscle Shoals from being operated by the Government.

Mr. BYRNS. I want to disclaim that he is my man.

Mr. QUIN. I want you to understand that the records over there in the Senate show that that gentleman and some corporations up here in New York, which have been trying to get Muscle Shoals for the last five years, have, in my judgment, acted in a strangely undercover manner.

For all these years they have been collecting all that money and trying to ram through this Congress a scheme to rob the American people. I just ask you men, is that the way we propose to vote in this Congress? These lobbyists have hounded the gentleman from South Carolina and gentlemen in other sections of the South in an endeavor to get them to vote for their bill, so that they might continue to plunder and rob the people of this country.

The CHAIRMAN. The time of the gentleman from Mississippi has expired.

Mr. QUIN. Mr. Chairman, I yield myself two additional minutes. Is it possible that the honest men and women of this country are still going to be exploited? Is it possible that brave men who stand ready to do their duty day and night for the people of this Republic will now surrender and say we are going to turn all of the Muscle Shoals activities over to private interests so that they may plunder and exploit the men and women of this country? Is it possible we are going to allow them to continue to rob and plunder the man behind the plow or the poor woman with a sunbonnet out in the field sowing seed in the morning, and with a hoe cultivating cotton or a vegetable garden, then going home and cooking the meal at 12 o'clock, then working until dark, then getting supper, going to bed, getting up the next morning and going to work? It is that class of people who will be robbed if this bill is enacted. Are you going to continue that? Are you going to let these exploiters keep on robbing and plundering the poor people of this country? These exploiters who make 30 and 50 per cent through the Electric Bond & Share Co. of New York. They are robbing the man behind the plow, and are you going to vote that way? You men are going on record as to whether you are for the people or whether you are for organized greed, these third-story burglars who have been going over the United States for all these years plundering and exploiting the toilers, both women and men, in every section of our Republic. Now is the time for us to stand up and say where we are. Are we on the side of the poor, the humble, the hard-working and honest citizens of this Republic or are we for the big interests who plunder, rob, and exploit the people by day and night? [Applause.]

The CHAIRMAN. The time of the gentleman from Mississippi has again expired.

Mr. RANSLEY. Mr. Chairman, I yield 15 minutes to the gentleman from Pennsylvania [Mr. COCHRAN].

—Mr. COCHRAN of Pennsylvania. Mr. Chairman, ladies and gentlemen of the committee, on April 8 the Senate sent to the House its Resolution 49 and asked that the House join in it, to the end that it become law. That resolution was referred to the Committee on Military Affairs, and it was not lightly turned aside. Careful consideration was given to it, and because it seems to have been neglected in the discussion to-day I desire to call a few of its provisions to your attention.

In the first place, the committee differed with the resolution in principle, for it provided for the Government operation of the properties and facilities at Muscle Shoals. I may say that almost all of us do not believe in that principle, for we believe that the function of government is to govern and not place itself in competition with any of its citizens.

The best argument against Government operation is Muscle Shoals itself. The evidence before the committee is to the effect that private interests offered to construct the Wilson Dam and its power units for \$19,000,000, and the Government at the same time, with the same labor and material costs, constructed it at an expense of \$47,000,000.

The Senate resolution creates the Muscle Shoals Corporation of the United States. It sets up three directors, with no qualifications other than a profession of faith in the feasibility of the proposition. Its board of directors appoints a general manager, and the general manager appoints two assistant managers, by and with the consent of the board. The corporation is not bound to the production of a single pound of fertilizer. So far as nitrate plants No. 1 and No. 2 are concerned, it is bound only to experiment with them. With regard to the

power plant it is bound only to sell the power, giving preference to States, counties, and municipalities, and then permitting the sale of this power to private interests for resale at a profit for periods of 10 years at a time.

If we examine the bill, the most important function of this corporation is the construction of another immense power proposition at Muscle Shoals, 300 miles up the river at Cove Creek. That is an immense construction. Its flowage area will cover 60,000 acres of land. Towns and municipalities will have to be removed and churches, schools, houses and cemeteries, railroads, public roads, and bridges; and this dam will have to be constructed, and generating units installed to produce 200,000 horsepower per year.

This Government corporation would be authorized to construct transmission lines. It is estimated that this dam and the generating units will cost \$40,000,000. A transmission line from Cove Creek to Muscle Shoals, 300 miles, it is estimated, will cost \$9,000,000 more.

When I look at the duty of this corporation to construct a power project at Cove Creek much larger than the greatest amount of primary power than can be produced at Muscle Shoals after the construction of the Cove Creek Dam, I am wondering which is the power bill, the Senate bill or the House amendment.

The Senate bill carries an authorization of \$10,000,000, with \$2,000,000 of the \$10,000,000 to be expended this year in the commencement of construction at Cove Creek.

Mr. OLIVER of Alabama. Will the gentleman yield?

Mr. COCHRAN of Pennsylvania. Certainly.

Mr. OLIVER of Alabama. I find the gentleman has not always been opposed to the Government constructing dams, because he voted for a large dam in the West costing many more millions, and voted against recommitting the bill.

Mr. COCHRAN of Pennsylvania. I will say that is an entirely different proposition.

Mr. OLIVER of Alabama. I see.

Mr. COCHRAN of Pennsylvania. These are a few of the reasons which induced the House Committee on Military Affairs unanimously to pass over the Senate resolution and to appoint a subcommittee of five to draft a Muscle Shoals bill.

This is not a leasing bill in the sense that it writes a lease. It simply authorizes a board of three to negotiate a lease upon certain principles and under certain limitations enumerated. This board of three would be appointed by the President, and without the consent and approval of the Senate, because it is a temporary board, expiring the 1st of December, 1931.

The first duty of this board is to organize, then to cause an appraisement to be made, then to advertise for bids for the leasing of Muscle Shoals. It is authorized to enter into one or more leases. I believe that in the end one lease will be consummated. I believe it is wise that multiple leases may be consummated, because it places in competition with the large interests able to make a single lease, a number of smaller lessees; but it is immaterial to the success of the project whether one lease or multiple leases be entered into, because if multiple leases are entered into there is a provision in this substitute bill requiring all lessees to join in a holding corporation for the allocation of the power among the several lessees and fixing the prices to be paid for it. So that under this bill we have the benefit of competition and arrive at the same end whether originally we have one lease or multiple leases.

The power is the greatest value here. The bill provides, in its final section, that the power can not be leased unless at the same time or prior thereto leases are or have been negotiated for the production of fertilizer.

Every watt of the power there is dedicated to the production of fertilizer, and, those needs being supplied, the power next is to be allocated to States, counties, and municipalities. Up to this point the disposition of the surplus power, under the substitute bill, is identical with its disposition under the Norris bill. Under the Norris bill at this point the power could be sold to private power-distributing companies, but under the substitute bill it must next be sold to industry, ferroalloy and chemical industries; and, those demands being satisfied, it may be sold to private power-distributing companies for the identical time for which it could be sold under the Norris bill, the only difference being that under the Norris bill a contract to a private power-distributing company can be canceled upon two years' notice, and under the substitute bill two years prior to the expiration of a 10-year lease any company having a prior right could step in and take the power away at the expiration of the two years from the private power-distributing companies.

It is said that this bill departs from principles that have been heretofore enunciated by the committee and by the Congress. It might be sufficient to say in answer that it is perhaps

wise after 10 years of failure to depart from at least some of those principles which have not succeeded. [Applause.]

The CHAIRMAN. The time of the gentleman from Pennsylvania has expired.

Mr. RANSLEY. Mr. Chairman, I yield five minutes to the gentleman from Tennessee [Mr. TAYLOR].

Mr. TAYLOR of Tennessee. Mr. Chairman and members of the committee, at the outset of my remarks I desire to congratulate the Rules Committee on the wisdom of the liberal rule that it has reported for the consideration of this very important legislation. In view of the tremendous magnitude and national importance of this measure, to have considered it under suspension or under an arbitrary rule that would have limited debate and barred amendments would have been a very serious mistake for those charged with the responsibility of leadership and legislation.

The Muscle Shoals problem has been the most abstruse and obtuse question that has challenged the consideration of the Congress for many years. For a decade we have had Muscle Shoals with us, and it seems to me that our failure to solve the Muscle Shoals problem is a serious reflection upon our ability to function as a legislative body.

There can be but two explanations for our failure to dispose of this question; we are either impotent to act, or we deliberately do not want to act; and either horn of the dilemma is indeed a sad commentary upon this body which we are accustomed to proclaim the greatest legislative agency in the world.

It is a well-known fact that the development of the Muscle Shoals program will make the area contiguous thereto the greatest hydroelectric region in the world. And it has been suggested that peradventure a certain section or certain sections of this country are apprehensive lest they may suffer industrial loss if this program is consummated. I can not believe that such a selfish and sordid sentiment could actuate any Member of this body from whatever section he may come. Such an unpatriotic motive is unworthy of any man or woman fit to occupy a seat in this Chamber. It is perhaps true that the proposed development will ultimately make the Tennessee River Valley a veritable industrial Ruhr, but what patriotic American does not rejoice to see any section of his country prosper? After all, we are all Americans and all for America.

When Members of Congress from the East, North, and South voted millions upon millions for the irrigation and reclamation of the arid lands of the West, a thought of local benefit or disadvantage did not occur to them. The interior States derive no direct benefit from the great Panama Canal, yet in a spirit of national pride and to promote and secure the general welfare they unhesitatingly voted the necessary appropriation to construct it. Along with a large majority of the membership of the House, I voted for the Boulder Dam project because I considered it a meritorious proposition that would mean much for the development of the great Southwest, realizing at the time that no direct benefit would inure to me or my constituency therefrom.

And now we of the South come to you in the same spirit and on the same hypothesis, and appeal to your high sense of patriotism and ask you to divest yourself of any personal interest or prejudice, if you have such, and unite with us in the passage of a measure that will finally and forever settle a question that has agitated the American people for the past 10 years, and provide for a development that will employ thousands of people and add untold millions to the wealth of this great Nation.

Mr. Chairman, I am not so much concerned as to the form that may be employed as I am about the result and the substance. While as a general proposition I have always been opposed to Government ownership and operation, I recognize that there is a great deal of merit in the measure that has passed the Senate on this subject. In view of the fact that the Cove Creek Dam is to be used primarily as a storage proposition to aid navigation and flood control, but chiefly to increase the primary power on projects below, I believe this great dam should be built by the Government so that no complications can possibly arise in the future as to its instant control, if necessary. It is a well-known fact that the Cove Creek Dam, if employed exclusively as a hydroelectric project, could be made one of the largest and most powerful in the world, but we all recognize that its greatest value consists in its possibilities as a contribution to flood control, navigation, and its auxiliary importance to hydroelectric development downstream. It has been conservatively estimated that Cove Creek will double the primary power at all the dams now existing or that may hereafter be built below on the Tennessee from Cove Creek to Cairo.

As I said before, Mr. Chairman, I think we should cease haggling over the method of disposing of Muscle Shoals and seriously and sincerely set about the solution of this problem. We realize that there are two schools of thought in the Congress on

this subject that are as diametrical to each other as the east is to the west—the private-ownership and the Government-ownership groups. And as practical men and women it must be apparent to us that to get together and solve and eliminate this hectic problem, we must approach it in a spirit of "give and take." It would be worse than folly for us to pass a bill here that we know in advance will have absolutely no chance of favorable consideration at the other end of the Capitol. Such procedure will be simply child's play—hollow mockery of "the purest ray serene." Therefore, I think we should pass the pending bill with some more or less minor, yet material, amendments, with the Senate bill as an alternative. There can be no sound objection to this if your professions are bona fide. If this leasing bill is sound in principle and workable, there will never be occasion to resort to the alternative.

It seems to me, Mr. Chairman, that the objection of some gentlemen to this alternative plan betrays a lack of good faith on their part. Why, gentlemen, if your bill is wise and practical, what have you to fear? On the contrary, if it is not wise and practical, and if its terms can not be carried into effect, in the interest of the people of the South and the Government itself, the other method should have the right of way. If you are really sincere in wishing to dispose of the Muscle Shoals question, let us approach the subject with candor and without equivocation, and with some degree of sympathy. The proposition is clear and clean-cut, and you can not dodge the issue.

Picture to-day a gigantic plant representing \$150,000,000 of the people's money that has been idle ever since its completion more than five years ago, with some of the units rapidly disintegrating due to neglect, and with hundreds of thousands of horsepower going to waste that could be such a blessing, but due to congressional indifference or impotency, of no benefit whatsoever to mankind. Picture a great river system, the beautiful Tennessee and her tributaries, teeming with undeveloped water power. Picture thousands of unemployed petitioning the Congress of the United States to harness the tremendous and all but fabulous forces of this great river to the end that industry may spring up and give employment and afford happiness and contentment to the people. This is the situation presented by the Muscle Shoals problem to-day.

While the people who reside within the area adjacent to this great project are aroused to a tremendous intensity by the prospect of action at this session of the Congress, this is by no means a matter of local interest. The patience of the people of the whole Nation has been taxed to the breaking point by the inaction or the indifference of the Congress to this problem. And now shall Uncle Sam emulate the example of the dog in the manger by taking the very selfish attitude of refusing to do this job himself nor permitting private capital to do it? This is the situation in its final analysis.

Another objectionable feature in the pending bill is the unnecessarily long time limit allowed the commission in which to negotiate the lease provided for. It seems to me that six months from the passage of the bill ought to be sufficient—12 months would certainly be ample. And if the commission at the expiration of the 12 months shall not have consummated the lease contemplated, then the Government should proceed under the Senate alternative.

Mr. Chairman, in my humble judgment, this question would have been settled long ago but for outside interference. We have assigned one excuse after another for not acting in the past, but the fact remains that Congress has had less to do with this legislation than any other that has ever come before it. We have exhausted our alibis and we are now confronted by the naked, unvarnished, and grim-visaged specter of plain duty. Will we function or shall we by our own failure to act admit that the Congress of the United States is in reality not an independent, potent, and responsible body.

Mr. Chairman, the burden and responsibility for this legislation is on the party in power, and I desire to remind my Republican friends that if this Congress fails to dispose of the Muscle Shoals question its blood will be upon our hands. [Applause.]

Mr. HILL of Alabama. Mr. Chairman, how much time is left to this side?

The CHAIRMAN. The gentleman has five minutes.

Mr. HILL of Alabama. I yield five minutes to the gentleman from Alabama [Mr. STEAGALL].

Mr. STEAGALL. Mr. Chairman and members of the committee, I share deeply the anxiety felt by those who desire an early settlement of the Muscle Shoals question, but I do not think that we should allow haste at this late hour to be the sole controlling influence in our actions.

The plain truth is that the country should understand that there will be no Muscle Shoals legislation during this session of Congress. I am sorry this is the case, but Members of the

House understand this fully. I am sorry that those who are responsible for what is to be done at this session of Congress did not bring forward legislation dealing with the Muscle Shoals problem at the beginning of the session. Muscle Shoals legislation lies at the threshold of the farm problem in this country, which the country has been told the Congress was called into extraordinary session to solve. During all these long months no plan has been put forward by the administration to end the matter. No constructive suggestion has been made; nothing has been said save to object to plans proposed.

Now, I can not bring myself to support this bill as reported by the Military Affairs Committee of the House. I should like to read, but time will not permit, the act under which this project was inaugurated. It was made one project; the only division contemplated was that the project should be devoted to preparation for war when necessary and for the manufacture of fertilizer for the benefit of agriculture in time of peace.

If we separate this property as is proposed in this bill, the cause of agriculture will be forgotten in two years and the benefits of this great project, inaugurated in the interest of agriculture, will be forever lost. It will be a betrayal of our trust if we attempt to divert that project from the purpose for which it was originally devoted and for which the initial appropriation was made.

Oh, they say that the Norris bill is only an experiment and therefore we should support the bill reported by the Committee on Military Affairs.

So far as I am concerned, I am not wedded to any particular bill. I have voted for whatever measures have been brought here, so long as they have adhered to the fundamental purpose of the original act which provided for the development at Muscle Shoals. The Norris bill adheres to that purpose, because it keeps the property in the hands of the Government and to be used for national defense and for the production of fertilizers.

Oh, they say it only provides for experiments. Suppose it does. So long as the Government holds and operates the plant there is not the same need for a specific contract as to how much fertilizers should be manufactured. There is no need for the Government to contract or enter into guaranties with itself. But it is a different matter if the project is to be turned over to private control. Of course, it will require several years to develop the property to its full capacity.

Every offer we had contemplated that it would take a year before they could manufacture fertilizer by any process at Muscle Shoals. But, after all, the bill before us is nothing more than an experiment and carries the implication that it can not succeed. I defy any lawyer in the House to say that it is more than an experiment. It is worse than the Norris experiment, because this bill carries with it the suggestion to private owners to whom it is to be leased that they can not carry out their part of the contract, and then gives them a way to escape enforcement of the contract. [Applause.]

Mr. HILL of Alabama. It is an invitation.

Mr. STEAGALL. An invitation; yes, a suggestion and an invitation. [Applause.]

Mr. RANSLEY. Mr. Chairman, I yield 15 minutes to the gentleman from Tennessee [Mr. FISHER].

Mr. FISHER. Mr. Chairman and members of the committee, it is my intention to vote for this leasing bill, but I sincerely hope that during its consideration, and before it is passed by the House, it will carry the provisions of the Norris bill as a condition that if there should be a failure upon the part of the board provided in this bill to effect a lease, then the Norris bill should go into effect and Muscle Shoals property developed in that way. It is a very difficult proposition for all to agree on Muscle Shoals legislation, and at the beginning of this session our committee began to study just what would be done. There was a vote on whether or not we would take up the Norris bill which was before us, and as one of the very small minority I voted for the Norris bill, because I thought amendments could be made to it that would probably make it acceptable to the Executive, but I saw and heard later that we would not be fortunate if we passed it or a bill from the committee like the Norris bill in getting a rule for its consideration; whereas, if a leasing bill were reported from the committee there would be a better chance to have it considered by this Congress.

It was the judgment of the House Committee on Military Affairs that there should be substituted for the Norris bill, which passed the Senate on April 2, providing for Government operation of the Muscle Shoals properties, a leasing plan with the creation of a board of three, after an appraisal of the properties, to negotiate and entertain proposals for the development of these properties. All three of this board would have

to agree and require a bond effective for five years, the lease would be in full force and binding upon the United States provided it met with the approval of the President.

It was in 1916 that the President was authorized and empowered by the Congress to proceed to provide for the manufacture of nitrates and fertilizers. Muscle Shoals was the site recommended to the President by a commission because of its great water power and other natural resources. With the declaration of war there were soon gigantic efforts made to build the dam to harness the water power, steam power plants, nitrate plants, and a town to house the workers. Just before the armistice, nitrate plant No. 2 was completed sufficiently to start operation, which was continued for a sufficient length of time to demonstrate that it would produce the ammonium nitrate in the quantities it was designed to produce. Since then these great plants have been closed, but both buildings and machinery have been kept in good condition.

The problem of disposition or development of Muscle Shoals has been before the Congress without final solution for many years. The Ford offer was accepted by the House but failed to pass the Senate. Our committee has used it as a yardstick when other offers were being considered, but having failed to get offers which were acceptable and after many attempts were made by special committees and commissions, the Congress in 1928 passed the bill named the Norris bill providing for Government operation. It was presented to the President for his approval, but it was given a pocket veto, which did not require him to give the reasons why.

In this bill providing for the leasing of the properties by the board for guidance in negotiations with interested parties for a contract there are given the details of the general principles and special requirements of the Muscle Shoals development, which are to be followed in the contract so that it may comply with the wishes of the Congress. The leasing board is authorized in entering into a contract, in no case the length of time to exceed 50 years, to turn over the properties which include the Wilson Dam and other properties described; the authority to exercise the right of eminent domain necessary for the maintenance and construction of trackage and transmission lines. It is required that in the properties which can be used in the processes in the manufacturing of fertilizer bases or fertilizer there must be, within three years and six months, manufactured annually an acceptable plant food containing the proper amount of nitrogen; that there shall be increases each year, depending upon the market demands, until the maximum production capacity of the plants is reached, using the plants which are best adapted to the most efficient methods of fixation of nitrogen; that when the unsold supply falls below 2,500 tons of fixed nitrogen, production should be increased; that a laboratory research shall be maintained to determine how to produce a better grade of fertilizer at a lower price; that the sale of the fertilizers shall not exceed 8 per cent profit and costs will include amount paid for rent, not over 6 per cent on invested capital, and no allowance for royalty of any patent, patent right, or patented process, if already interested, but if such is bought to reduce cost of fertilizer it will be proper item of cost; that two productive engineers representing the Government and lessee and selection of certified accountants by them for ascertaining proper cost of fertilizer, this expense to be included in costs; that allowance of credit against cost of production be allowed for profit on sale of electricity sold during temporary suspension of plants and also not over 50 per cent of the profit for sale of electricity if it is developed that less is needed in the process; that preference in sales will be given to, first, farmers and cooperators, second, to States or State agencies; that primary and secondary power shall not be sold to any person or corporation for use in fixation of nitrogen or manufacture of fertilizers if associated in any way with fixing or maintaining noncompetitive process for nitrogen or nitrogen products; that annual payments to the United States for term of lease in a sum which at 4 per cent per annum compounded over 50 years would insure the United States of the appraised valuation of the properties, except no payments are to be made to amortize the appraised valuation of the two nitrate plants so long as they or either of them are used by lessee for fixation of nitrogen for fertilizers; that the rental for the use of the properties leased is to be paid by the lessee when and in amounts as the board shall determine fair and reasonable; that there will be an equitable allocation of surplus power among States within economic transmission distance, the sale and equitable allocation of primary or secondary power to those States, counties, municipalities, and political subdivisions as may make demand and agree to pay a reasonable price, the contract for the sale of the power not to exceed 10 years; that nitrate plants, the build-

ings and equipment installed for the production of nitric acid by the acidation of ammonia and for the production of ammonium nitrate for ammonia and nitric acid shall be maintained in good condition, ready for immediate operation in the event of war, and the Secretaries of War and Agriculture, or their representatives, will have access to the operations of the plants and laboratories; that the right of temporary recapture is given to the Government in event of war and damages will be paid to the lessee, the amount to be fixed by the Court of Claims; that in the event of failure of the lessee to comply with the terms of the lease the Government is given the right to make permanent recapture by instituting proceedings by the Attorney General, except as to the Cove Creek Dam when constructed.

**Cove Creek Dam:** Particular attention is called to section 2, in which the construction of a dam in and across Clinch River, approximately 8 miles north of Clinton, in the State of Tennessee, upon the dam site known as Cove Creek, shall be required by the terms of any lease. In the final report made by Maj. Gen. Lytle Brown, Chief of Engineers, on the Tennessee River and its tributaries, this Cove Creek Dam is shown to be the "key" dam in the great development of the Tennessee River, which, together with its tributaries, has 1,300 miles capable of being navigated by steamboats and barges and 1,000 miles still farther by rafts and flat boats, all located in or adjacent to seven States. This dam, if built, according to the latest approved designs of the Chief of Engineers, would, with navigation and flood control aid, together with its own power development, bring about great benefits.

The engineers in taking cores from the borings at the dam site found the existence of a rock whose condition is suitable for the foundation of a dam of the size and type recommended by them. The capacity of the proposed power plant is placed at the maximum of 220,000 horsepower.

The reservoir, with the regulation of the stream flow, will aid facilities of navigation and flood control and greatly increase the power of all the dams below, which at the present time would be Hales Bar and Wilson Dams. It would mean that the primary power at Wilson Dam would be increased more than 50 per cent, or total about 135,000 horsepower. If and when all the dams in the plans of development are built there will be a still greater increase of horsepower for the entire system. It will be readily recognized how important it is for the United States as owner of the Wilson Dam that Cove Creek Dam be built; its value would be greatly increased, for its weakness is in the high and low water of the Tennessee River. The same importance would apply for the lessee for the control of the water in the reservoir would give not only increase of power in the release of water when the river was low but also the release of power by the use of transmission lines.

It is provided that if the leasing board finds that the costs of construction of Cove Creek Dam and of its operation for improvement of navigation and flood control will be in excess of what will be a reasonable cost of same for power purposes the President may issue a license on conditions to be expressed in the license that the United States will reimburse the licensee in amount deemed by leasing board as necessary contribution for the cost of the project for navigation, improvements, and flood control.

Of interest to all Tennesseans will be the provision in section 3 of the bill, which amends the Federal water power act of 1920 so that the State of Tennessee—

(b) At the expiration of the license for the construction and operation of said dam at the Cove Creek site the State of Tennessee shall have the right to recapture the interests of the lessee or lessees and licensee or licensees in said dam and appurtenant structures, including hydroelectric generating equipment, but exclusive of any barge lift or navigation appliances, by paying the lessee or lessees or licensee or licensees therefor an amount equal to the net investment, as defined in said Federal water power act of 1920, as amended, made by said lessee or lessees and licensee or licensees in said dam and appurtenant structures: *Provided*, That in the event the State of Tennessee shall exercise the right hereby conferred, the State of Tennessee and its agents shall hold and operate the same in the interest of the development of the maximum primary power at Dam No. 2 and of navigation, and subject to the provisions of the Federal water power act of 1920, as amended, to the same extent as if the same were held and operated by the United States or a licensee thereof.

There is also in section 3, subsection A, provision that the appropriate agency of the State of Tennessee is to cooperate with the Federal Power Commission in the establishment of a policy as to reasonable royalties due from power projects in Tennessee, now existing or to be constructed on the Tennessee or Clinch Rivers downstream from the Cove Creek Dam.

The cost of Cove Creek Dam, according to the plans, is estimated at \$37,540,643, approximately \$5,000,000 for navigation. Its height is to be 225 feet, with a reservoir 74 miles long, with 54,525 acres impounding 3,000,000 acre-feet of water. The Federal water power act gives the Secretary of War the power to regulate the discharge of water or the control of the pool level in the interest of navigation and flood control. This reservoir will hold its impounded 3,000,000 acre-feet of water which otherwise, regardless of flood conditions unrestrained, would be on its way to empty its flood record of 499,000 second-feet into the Ohio River, only 47 miles from the Mississippi River.

Major General Brown, in his recent report on the Tennessee River, states:

Floods occur frequently on the main stream and on the lower part of most of the tributaries. The damage done by ordinary floods is not great, but the flood of 1926, the largest of record, caused damages estimated at \$2,650,000. The district engineer states that still larger floods are possible, and that a flood of the magnitude which might be expected to occur once in 500 years would do damage amounting to \$14,000,000. Including damages from such future floods, he estimates the average damage from floods at \$1,780,000 annually.

The damages done by the flood in 1926 to Chattanooga have been estimated at \$600,000. Knoxville, Rockwood, Florence, and other towns also suffered losses.

Major Watkins, who had charge of the survey of the Tennessee River, in the hearings before our committee, stated that he had made a thorough study of the effect the building of the Cove Creek Dam would have had upon the reduction of flood heights during the 1926 flood; at Rockwood about 6.6 feet; at Chattanooga, 5.7 feet; at Florence, 1.8 feet; and at Johnsonville, 1.6 feet.

During the exhaustive study of the flood-control problem of the Mississippi Valley in 1928 by the Committee on Flood Control a survey was made as to the practical use of reservoirs to impound the flood waters.

There were sought sites for reservoirs where the stored water could be used for producing power if not for irrigating lands. It was found that the lands were fertile which were to be flooded, and the costs of these lands would make the reservoirs too expensive. In the survey in the Cove Creek area it is shown that the land costs under \$40 per acre.

These great resources of nature should be harnessed, for the power will bring industries; the improved navigation by regulation of its pool level will materially aid in giving 12 months of activities to the boats and barges which will be forthcoming to meet the demands of future commerce on the Tennessee River, which will include products best adapted for water traffic, such as coal, iron ore, marble, limestone, cement materials, sand, and gravel; that the controlled waters in flood seasons would end the damaging floods to the cities along the Tennessee and give the economic advantage which would follow, and aid in the great problem of the control of the Mississippi River.

Mr. RANSLEY. Mr. Chairman, I yield five minutes to the gentleman from Nevada [Mr. ARENTZ].

Mr. ARENTZ. Mr. Chairman, ladies and gentlemen of the committee, for about eight years now we have tried to draw up a contract in Congress to dispose of Muscle Shoals. We have not gotten anywhere. To-day we have a bill before us to appoint a committee of three men to draw up contracts, leases, and agreements for us. Whether we believe in the scheme as laid down to-day in this bill or not, we are going to be separated in our vote; so far as the vote on this bill is concerned, we must decide as to whether we believe in Government operation or in private operation.

The bill as proposed by the Military Affairs Committee takes the operation of this plant out of the hands of the Government. The Norris bill places the operation of the plant in the Government. I think the bill could be changed in many ways to make it a better bill. Personally I do not believe the States of Tennessee and Alabama are considered as they should be in the bill. The statement was made by the gentleman from Arizona [Mr. DOUGLAS] that Alabama and Tennessee could tax this property and gather in quite a bit of revenue from taxation. The bill states that the only taxable property in conjunction with this work will consist of plant or machinery hereafter to be constructed by the lessees. It does not have anything to do with the taxing of the present plant or the present machinery or the improvements of possible tens of millions of dollars that will go in the plant to make it workable, so that the taxable power of the States of Alabama and Mississippi is rather a nebulous thing, because there will be very little, if anything, to tax.

I want to confine myself for a moment to the matter of the Cove Creek Reservoir. It seems to me that the present project

as it is, comprising the development of some 80,000 horsepower, should stand upon its own bottom. We should make contracts for the delivery and sale of that power for the manufacture of nitrogen or for the distribution of the power to municipalities just as it is without tying it up to the construction of the Cove Creek Reservoir, a reservoir that will cost approximately from \$38,000,000 to \$40,000,000. We are going to get a very poor contract, it seems to me, from those who want to buy power or from those who want to manufacture fertilizer if we have in the immediate distance an expenditure of \$38,000,000 to \$40,000,000 for reservoirs. It seems to me far better to confine the matter to the sale and disposition and use of the 80,000 firm horsepower flowing from the machinery now installed at Muscle Shoals when operating to full capacity. But we understand that the plant now in existence will actually produce about 80,000 horsepower. It seems to me that it is far better to sell that 80,000 and arrange later on for the construction of the Cove Creek Reservoir at a cost to the Federal Government, and then to amortize the cost of that Cove Creek construction of \$38,000,000 through revenue derived from the sale of the 80,000 horsepower and the additional horsepower that will be brought about by the construction of Cove Creek Reservoir.

The CHAIRMAN. The time of the gentleman from Nevada has expired. The Clerk will report the bill for amendment.

Mr. HILL of Alabama. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. HILL of Alabama. As I understand, under the rules, this bill is subject to amendment by sections, not by paragraphs.

The CHAIRMAN. That is correct.

The Clerk read as follows:

That the President of the United States (hereinafter referred to as the President) be, and is hereby, authorized and empowered to appoint three eminent citizens of the United States, one of whom shall be identified with agriculture, and these three shall constitute a leasing board (hereinafter designated as the leasing board) for the purpose of negotiating the contract or contracts hereinafter authorized, and the term of office of all members of the leasing board shall expire December 1, 1931. The members of said leasing board shall upon receiving notification of their appointment take an oath faithfully to perform the duties imposed by the provisions of this act, and upon the filing of said oath with the President, commissions shall be issued to them, and thereupon the President shall set a time and place for their meeting, when the leasing board shall organize.

The leasing board is hereby directed to appoint appraisers to appraise the United States properties constituting the Muscle Shoals development, separating the same into such parts as the leasing board may direct, and the value of each and all, as determined by such appraisers, shall represent the present fair value of United States properties involved, and shall, after approval by the leasing board, be final for all the purposes of this act: *Provided*, That if two or more leases shall be under consideration the leasing board may direct a rearrangement of the parts and a consequent reappraisal thereof.

The leasing board shall give notice, for a reasonable time and in such manner as to them shall seem most likely to insure the widest circulation, that they are ready to entertain proposals for the leasing of the Muscle Shoals property hereinafter described, and the leasing board shall furnish to any person on demand full information as to the appraised value of said properties or any part thereof. The concurrence of at least two members of the leasing board shall be necessary for any action, except in the case of the execution of a lease or leases which shall require the concurrence of all members of the leasing board. If any member of the leasing board die, resign, or be dismissed by the President for any cause whatsoever, the President shall fill the place thus made vacant.

When the leasing board shall have negotiated a lease or leases for the Muscle Shoals properties as hereinafter authorized they shall require an adequate performance bond effective for the first five years of the lease or leases and shall then execute the said lease or leases by signing their names thereto, and the lessee or lessees shall affix their signatures thereto, and thereupon the draft of such lease or leases shall be submitted to the President, who shall consider the same, and who, in not less than 30 days nor more than 60 days after he shall receive the same, may approve of the same in writing, and if the President shall so approve they shall forthwith become effective and binding upon the Government of the United States and upon the lessee or lessees. But if the President withhold his approval thereof, the leasing board shall have the right to reopen negotiations, and if another draft of such lease or leases be agreed upon and executed, then the same shall be submitted to the President, and the like proceedings be had with reference thereto.

Mr. RANSLEY. Mr. Chairman, I move that the committee do now rise.

Mr. LaGUARDIA. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. LaGUARDIA. The section which has just been read will be open for amendment to-morrow morning?

The CHAIRMAN. Yes. The question is on agreeing to the motion of the gentleman from Pennsylvania that the committee do now rise.

The motion was agreed to.

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. MAPES, Chairman of the Committee of the Whole House on the state of the Union, having under consideration the resolution (S. J. Res. 49) to provide for the national defense by the creation of a corporation for the operation of the Government property at and near Muscle Shoals, in the State of Alabama, and for other purposes, reported that that committee had come to no resolution thereon.

#### MESSAGE FROM THE PRESIDENT

The SPEAKER laid before the House the following message from the President of the United States:

*To the House of Representatives:*

In compliance with the request contained in House Concurrent Resolution 33, passed May 24, 1930, I return herewith the bill H. R. 185 entitled "An act to amend section 180, title 28, United States Code, as amended."

HERBERT HOOVER.

THE WHITE HOUSE, May 27, 1930.

#### AMENDMENT OF SECTION 180, TITLE 28, UNITED STATES CODE

Mr. GRAHAM. Mr. Speaker, I ask unanimous consent to present the following resolution and ask for its present consideration.

The SPEAKER. The gentleman from Pennsylvania presents a resolution and asks unanimous consent for its present consideration. The Clerk will report it.

The Clerk read as follows:

#### House Concurrent Resolution 35

*Resolved by the House of Representatives (the Senate concurring),* That the action of the Speaker of the House of Representatives and of the Vice President in signing the bill (H. R. 185) entitled "An act to amend section 180, title 28, United States Code, as amended," be rescinded, and that in the reenrollment of said bill the word "Richmond" be stricken out and the word "Richland" be inserted in lieu thereof.

The SPEAKER. Is there objection?

Mr. GARNER. Mr. Speaker, I understand this is the quickest parliamentary method by which the change can be made by which the gentleman may have the bill recalled?

The SPEAKER. Yes. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

#### MESSAGE FROM THE SENATE

A message from the Senate by Mr. Craven, its principal clerk, announced that the Senate insists upon its amendments to the joint resolution (H. J. Res. 270) entitled "Joint resolution authorizing an appropriation to defray the expenses of the participation of the Government in the Sixth Pan American Child Congress, to be held at Lima, Peru, July, 1930," disagreed to by the House; agrees to the conference asked by the House on the disagreeing votes of the two Houses thereon, and appoints Mr. BORAH, Mr. JOHNSON, and Mr. SWANSON to be the conferees on the part of the Senate.

The message also announced that the Senate had passed without amendment joint resolutions of the House of the following titles:

H. J. Res. 346. Joint resolution to supply a deficiency in the appropriation for the employees' compensation fund for the fiscal year 1930;

H. J. Res. 349. Joint resolution making an appropriation to the Grand Army of the Republic Memorial Day Corporation for use on May 30, 1930; and

H. J. Res. 350. Joint resolution to provide funds for payment of the expenses of the Marine Band in attending the Fortieth Annual Confederate Veterans' Reunion.

The message also announced that the Senate had adopted the following resolution:

*Resolved*, That the report of the committee of conference on the disagreeing votes of the two Houses on the various amendments of the Senate to the bill (H. R. 2667) entitled "An act to provide revenue, to regulate commerce with foreign countries, to encourage the industries of the United States, to protect American labor, and for other purposes," upon which the first committee of conference on said bill were unable to agree, which report was presented to the Senate on May 26, 1930, be recommitted to the committee of conference on said bill.

## THE TARIFF

Mr. GARNER. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. GARNER. If I understood the message from the Senate aright, it is to the effect that the conferees were unable to agree. I may not have correctly caught the reading of it, but I want to challenge the statement of the Senate. I challenge that report, Mr. Speaker, because the conferees did come to a complete agreement on the differences between the House and Senate. That report from the Senate is not correct. I do not happen to see any other conferees on the part of the House present at this moment, but I think the gentleman from Oregon [Mr. HAWLEY] and the gentleman from New Jersey [Mr. BACHACH] and the gentleman from Mississippi [Mr. COLLIER], if they were here, would confirm that statement that the conferees did come to a complete agreement.

The SPEAKER. The Chair understands that this is merely to continue its conference.

Mr. GARNER. I am speaking about the statement in the message from the Senate to the House. I do not think that the House or its conferees should be put in the attitude of having its conferees go back to conference on the theory that we did not arrive at a complete agreement, because, as a matter of fact, the conferees did arrive at a complete agreement. I see the gentleman from Oregon [Mr. HAWLEY] is here. I will ask the gentleman from Oregon, Did not the conferees come to a complete agreement on the differences between the House and Senate?

Mr. HAWLEY. Yes; on all matters included within our jurisdiction.

Mr. CHINDBLOM. Mr. Speaker, may we have the message again read?

The SPEAKER. Without objection, the Clerk will again read the message.

The Clerk read as follows:

*Resolved*, That the report of the committee of conference on the disagreeing votes of the two Houses on the various amendments of the Senate to the bill (H. R. 2667) entitled "An act to provide revenue, to regulate commerce with foreign countries, to encourage the industries of the United States, to protect American labor, and for other purposes," upon which the first committee of conference on said bill were unable to agree, which report was presented to the Senate on May 26, 1930, be recommitted to the committee of conference on said bill.

Mr. HAWLEY. I think that refers to the first conference.

Mr. CHINDBLOM. That was the matters on which they disagreed on the first conference and which were subsequently submitted to further conference.

Mr. GARNER. I want to find out what the conferees are going back to. The conferees on the part of the House have come to a complete agreement and adopted a conference report in the first instance. Has the Senate disagreed to that conference and asked for a new conference?

Mr. COOPER of Wisconsin. Mr. Speaker, in view of the statement of the gentleman from Texas, I think it ought to be said right now that the report was sent back by the Senate to the conferees because it included a particular sentence, in agreeing to which it was held by the Presiding Officer they exceeded their authority and violated the rules governing conferences. This is the language—

Mr. GARNER. Will the gentleman yield?

Mr. COOPER of Wisconsin. I yield.

Mr. GARNER. I agree with what the gentleman is going to say, but that is not the message. The message does not say anything about the Presiding Officer holding it out of order. The message simply says that they have disagreed to the first conference. If they have, the House must agree to a new conference.

Mr. COOPER of Wisconsin. I would like to read that language, because I think it should appear in the Record at this point:

In the event the President makes no proclamation of approval or disapproval within such 60-day period, the commission shall immediately, by order, publicly declare such fact, and the date of expiration of such period, and the increased or decreased rates of duty, and the changes in classification or in basis of value recommended in the report of the commission shall, commencing 10 days after the expiration of such period, take effect with respect to the foreign articles when so imported.

As I understand, the technical point was made that the conferees had no power under the parliamentary rules governing conferences to agree upon that proposition.

Mr. HAWLEY. Mr. Speaker, if reference to the bill is left out it reads:

*Resolved*, That the report of the committee of conference on the disagreeing votes of the two Houses on the various amendments of the Senate \* \* \* upon which the first committee of conference on said bill were unable to agree \* \* \*

Then the rest of it—

be recommitted to the committee of conference on said bill.

What they intended to say and what they decided to do in somewhat indefinite language was that the items that were in dispute on the second conference are the items referred to here, and are now to be returned to the second conference.

Mr. GARNER. Is that the interpretation which the Chair now places upon it?

The SPEAKER. The Chair places that interpretation upon it.

Mr. GARNER. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. GARNER. In view of the message from the Senate, if this conference is called into session again, it will only be on the provisions assigned to the second conference?

The SPEAKER. The Chair thinks so.

Mr. GARNER. And any action of the first conference can not be taken up by the House conferees?

The SPEAKER. It would not be before them.

Mr. GARNER. And a point of order on any action taken by the first conferees would lie against a conference report by the House Members?

The SPEAKER. The Chair does not understand the last inquiry by the gentleman from Texas.

Mr. GARNER. I propounded the query to the Speaker in the beginning of the second conference that if the conferees undertook to change any provision of the first conference report it would be subject to a point of order in the House of Representatives.

The SPEAKER. Yes.

Mr. GARNER. That is no longer in conference, so far as the House is concerned?

The SPEAKER. That is no longer in conference, so far as the House is concerned.

Mr. GARNER. This conference could only handle what the second conference was authorized to handle?

The SPEAKER. As the Chair understands the parliamentary situation, it is this: A point of order was made in the Senate and sustained, based on the flexible tariff provision, in that the conferees had exceeded their jurisdiction. The rule in the Senate in such cases is that where a point of order is made and sustained, the other House not having acted, the conferees remain as conferees, and it is automatically recommitted to the conference committee. In the House, however, the rule is different. Where a point of order is made and sustained, the conferees are retired; but in view of the fact that the House has taken no action, the conferees not having reported any action of the second conference to the House, the Chair thinks that automatically, this action having been taken by the Senate, the existing conferees remain in so far as the second conference is concerned.

Mr. HAWLEY. That is a fair interpretation, because Senator SMOOT has called us to meet on Thursday at 10 o'clock.

## MESSAGE FROM THE PRESIDENT—FEDERAL PROBATION OFFICERS

The Chair laid before the House the following message from the President:

## To the House of Representatives:

In compliance with the request contained in House Concurrent Resolution 34, passed May 26, 1930, I return herewith the bill H. R. 3975, entitled "An act to amend sections 726 and 727 of title 18, United States Code, with reference to Federal probation officers, and to add a new section thereto."

HERBERT HOOVER.

THE WHITE HOUSE, May 27, 1930.

Mr. GRAHAM. Mr. Speaker, I ask unanimous consent for the present consideration of a resolution which deals with the message of the President just read. As the resolution is somewhat long, I might state its purpose and save time. This is simply to correct an error in the recital of the act that is to be amended, owing to the proviso to the code that it should only be prima facie evidence of the law and not the law. Although this matter had been passed once in a previous Congress and by two Attorneys General, the present Attorney General sent a letter to the President stopping the signing of the bill, hence the recall. This resolution simply recites the different items that are to be stricken out, putting the code in brackets and reciting the original statute that is amended.

Mr. CHINDBLOM. Mr. Speaker, let it be read.

The SPEAKER. The gentleman from Pennsylvania asks unanimous consent for the present consideration of a resolution, which the Clerk will report.

The Clerk read the resolution, as follows:

House Concurrent Resolution 36

*Resolved by the House of Representatives (the Senate concurring).* That the action of the Speaker of the House of Representatives and of the Vice President in signing the bill H. R. 3975, entitled "An act to amend sections 726 of title 18, United States Code, with reference to Federal probation officers, and to add a new section thereto," be rescinded, and that in the reenrollment of said bill the following changes be made:

Page 1, line 3 of the engrossed bill strike out all of line 3 and insert in lieu thereof the following:

"That sections 3 and 4 of the act of March 4, 1925, chapter 521, 43 Statutes at Large, 1260, 1261 (secs. 726 and 727, title 18, U. S. C.), entitled 'An act to provide for the establishment of a probation system in the United States Courts, except in the District of Columbia.'"

Page 1, line 5 of the engrossed bill strike out the figures "726" and insert the figure "3."

Page 2, line 21 of the engrossed bill strike out the figures "727" and insert the figure "4."

Page 3, line 20 of the engrossed bill strike out all of line 20 after the word "section" and all of line 21 and insert in lieu thereof the following: "4 of the act of March 4, 1925, chapter 521, 43 Statutes at Large, 1261 (sec. 727, title 18, U. S. C.), entitled 'An act to provide for the establishment of a probation system for the United States Courts, except in the District of Columbia,' as follows."

Page 3, line 22 of the engrossed bill, strike out the figures "726" and insert the figures "4 (a)."

Page 1 of the engrossed bill strike out all of the title and insert in lieu thereof the following:

"To amend the act of March 4, 1925, chapter 521, and for other purposes."

The SPEAKER. Is there objection?

Mr. GARNER. Mr. Speaker, this is merely to cure a defect?

Mr. GRAHAM. That is correct. There is no change in the substance whatsoever.

The SPEAKER. Is there objection?

There was no objection.

The resolution was concurred in.

CONFERENCE REPORT—LEGISLATIVE APPROPRIATION BILL

Mr. MURPHY. Mr. Speaker, I submit a conference report on the bill (H. R. 11965) making appropriations for the legislative branch of the Government for the fiscal year ending June 30, 1931, and for other purposes, for printing under the rule.

Mr. GARNER. May I ask the gentleman from Ohio if that is a complete report?

Mr. MURPHY. Well, not exactly. There are two matters in it which will have to be brought to the House to-morrow.

Mr. STAFFORD. When does the gentleman expect to bring this conference report before the House for consideration?

Mr. MURPHY. I am going to ask permission to-morrow.

Mr. STAFFORD. Unless it is very urgent, we would like to have the entire day given over to the consideration of the Muscle Shoals legislation.

Mr. MURPHY. It will not take five minutes to dispose of it.

PERMISSION TO ADDRESS THE HOUSE

Mr. McSWAIN. Mr. Speaker, I ask unanimous consent to make a very brief announcement to the House.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. McSWAIN. Mr. Speaker, I desire to say to the Members of the House that when the Committee of the Whole House on the state of the Union resumes its consideration of S. 49, the Muscle Shoals matter, I will move to strike out all the language which constitutes the House amendment to the bill and to insert in lieu thereof the language contained in H. R. 12097, which bill the Members will find printed in the RECORD of May 26.

Mr. CHINDBLOM. Will the gentleman yield?

Mr. McSWAIN. Yes.

Mr. CHINDBLOM. When the gentleman says the House amendment the gentleman means the committee amendment which is a substitute for the Senate bill?

Mr. McSWAIN. That is correct.

DESTRUCTION OF DUPLICATE ACCOUNTS

Mr. GRAHAM. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill H. R. 5261, to authorize the destruction of duplicate accounts and other papers filed in the offices of clerks of the United States district courts and

agree to the Senate amendment. The Senate amendment merely fixes a date from which the 10 years shall be computed. This bill refers only to the destruction of old papers.

The SPEAKER. The gentleman from Pennsylvania asks unanimous consent to take from the Speaker's table House bill 5261, and agree to the Senate amendment. The Clerk will report the bill and the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Page 2, line 7, after "years," insert "after final disposition of such proceedings."

The SPEAKER. Is there objection?

Mr. GARNER. May I ask the gentleman from Pennsylvania if this is satisfactory to his entire committee?

Mr. GRAHAM. It is; and I am authorized by the committee to ask for this action.

The SPEAKER. Is there objection?

There was no objection.

The Senate amendment was agreed to.

COMPILED LAWS OF ALASKA

Mr. GRAHAM. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 5258) to repeal section 144, Title II, of the act of March 3, 1899, chapter 429 (sec. 2253 of the Compiled Laws of Alaska), and agree to the Senate amendment. In this case there was a date fixed at which the bill should become effective; that date has passed and the Senate simply struck it out, so that the bill becomes operative after its passage.

The SPEAKER. The gentleman from Pennsylvania asks unanimous consent to take from the Speaker's table House bill 5258 and agree to the Senate amendment. The Clerk will report the bill and the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Page 1, line 6, strike out "effective on and after January 1, 1930."

The SPEAKER. Is there objection?

There was no objection.

The Senate amendment was agreed to.

DEFICIENCY OF POSTAL REVENUES

Mr. SANDERS of New York. Mr. Speaker, I ask unanimous consent to call up the bill S. 3599, to provide for the classification of extraordinary expenditures contributing to the deficiency of postal revenues and insert the House bill as an amendment to the Senate bill.

The SPEAKER. The Chair does not understand the procedure suggested by the gentleman.

Mr. SANDERS of New York. To insert the matter in the House bill as an amendment to the Senate bill.

Mr. TILSON. What is the bill?

Mr. SANDERS of New York. The matter involved is merely a matter of accounting.

The SPEAKER. The House must agree to consider the bill before an amendment can be offered to it. The Clerk will report the bill.

The Clerk read the title of the Senate bill.

Mr. GARNER. Mr. Speaker, I did not catch the gentleman's purpose. What is the request?

Mr. KELLY. Mr. Speaker, if the gentleman will permit, this bill is simply a matter of accounting in the Post Office Department. The Senate has passed a measure and sent it over here, and it is now on the Speaker's table. The House committee has unanimously reported a bill, and it is now on the calendar.

Mr. GARNER. Are they similar?

Mr. KELLY. They are substantially similar, but the House bill contains two small items exactly along the lines of the ones contained in the Senate, but they were omitted by inadvertence by the Senate committee. There is no money involved, and it is simply a matter of permitting the Postmaster General to certify to the Secretary of the Treasury items carried in the Postmaster General's report. It is a matter of accounting.

Mr. STAFFORD. Will the gentleman yield?

Mr. KELLY. Yes.

Mr. STAFFORD. Is this the bill that provides for an allocation of cost of service so that the Postmaster General will be obliged to set aside so much as the cost for franking, so much for penalty mail, and so on?

Mr. KELLY. No, Mr. Speaker; the Postmaster General in his report makes an allocation of certain free services and now he has no authority—

Mr. STAFFORD. Mr. Speaker, I think this bill should go over, not being identical with the House bill, and I object.

## RETIREMENT LEGISLATION

Mr. MEAD. Mr. Speaker, I ask unanimous consent to extend my remarks on the retirement bill.

The SPEAKER. Without objection, it is so ordered. There was no objection.

Mr. MEAD. Mr. Speaker, under the law existing prior to the passage of the present bill the maximum annuity that could be obtained was \$1,000 per annum. This was determined by ascertaining the basic salary of an employee for the last 10 years of service, not exceeding \$1,500 per annum, and multiplying that sum by the years of service, not exceeding 30, and dividing the total arrived at by 45.

Under the proposed Dale bill the maximum annuity obtainable was increased to \$1,200 per year. This was determined by ascertaining the basic salary of an employee for his five highest consecutive years of service at his option, not to exceed \$1,000 per annum and multiplying this by the years of service, not to exceed 30 years, and dividing total arrived at by 40.

The Lehlbach bill has incorporated in its provisions the Dale bill, so that no employee can receive less than what he or she would have received under the terms of the Dale bill. The Lehlbach bill also established two funds into which deductions from salary are paid, and from which annuities are also paid—(1) the tontine fund and (2) a member's individual account. The percentage of deductions from salary— $3\frac{1}{2}$  per cent—are the same as heretofore. However, from this deduction from salary of every person covered by the law is taken the sum of \$1 each month, which is paid into the tontine fund, and the balance is deposited to the individual account of the member. To illustrate: Assuming an employee receives \$2,000 a year,  $3\frac{1}{2}$  per cent deduction will amount to \$70, from which will be taken the sum of \$12 per year to be paid into the tontine fund, and the balance of \$58 will be deposited to the account of the employee. The tontine contributions apply to all employees equally.

Upon retirement, a member reaching retirement age, will receive \$30 for each year of service, not exceeding 30, from the tontine fund, and the additional annuity which the amount to his credit in his individual account will purchase, in no case to be less than he would have received under the Dale bill, provided, however, that no one can receive more than three-quarters of his base pay, which would be the average for the five highest consecutive years as above stated.

In addition to the above retirement for disability, now 15 years, has been reduced to 5 years. Ages for retirement are reduced at the option of the employee from 70 to 68, 65 to 63, and 62 to 60 years of age. The new law is retroactive and it applies to those already retired, and, inasmuch as the annuity is computed on any five years of service, this will give those already retired a substantial increase in annuity. The Lehlbach bill includes all persons already covered by preexisting law, and also employees of the United States Soldiers' Home for Disabled Volunteer Soldiers and some employees in the Foreign Service and also in the Indian Service. The features as herein explained are contained in the bill which recently received the approval of Congress.

It was the best legislation possible to secure at this session, and I was pleased to support the original bill as well as the conference report.

## OLEOMARGARINE

Mr. HAUGEN. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 6) to amend the definition of oleomargarine contained in the act entitled "An act defining butter, also imposing a tax upon and regulating the manufacture, sale, importation, and exportation of oleomargarine," approved August 2, 1886, as amended, with Senate amendments, disagree to the Senate amendments, and ask for a conference.

The Clerk read the title of the bill.

Mr. GARNER. Mr. Speaker, this is a very important bill and some very important amendments have been placed on the bill in the Senate. I would like to ask the gentleman from Iowa [Mr. HAUGEN] whether he has had a meeting of his committee with a view to considering these amendments and whether he is authorized to call the bill up and ask that it go to conference.

Mr. HAUGEN. The bill has not been taken up in committee.

Mr. GARNER. I wish the gentleman would pass this over until to-morrow, so that we can see some of the membership of the House, at least on this side of the House, who are interested in the Senate amendments. I think they are of sufficient importance, may I be permitted to say to the gentleman from Iowa, to take the bill to the gentleman's committee and discuss it thoroughly with a view to getting an expression of opinion from the gentleman's committee, if not an expression from the House itself.

Mr. HAUGEN. It is simply a matter of extending the time for 12 months. I do not think there are any very important amendments.

Mr. GARNER. I wish the gentleman would let it go over until to-morrow.

Mr. HAUGEN. Very well, Mr. Speaker. I withdraw the request.

## HOUR OF MEETING TO-MORROW

Mr. TILSON. Mr. Speaker, I have been requested to ask unanimous consent that the House meet at 11 o'clock to-morrow instead of 12 o'clock.

Mr. GARNER. As I understand, that is with a view to trying to finish the consideration of the Muscle Shoals bill to-morrow?

Mr. TILSON. Some of those most interested in this bill, or at least some of those who have taken an active part in its consideration, believe that it will necessitate rather long hours to-morrow to complete its consideration, and therefore have asked me to make this request. I now submit the request, Mr. Speaker.

Mr. LAGUARDIA. Reserving the right to object, will the gentleman kindly couple with his request that the permission of the House heretofore given to the Committee on the Judiciary to sit to-morrow afternoon during sessions of the House be vacated? Some of us are very much interested in this Muscle Shoals legislation.

We are also very much interested in what is going on. We have permission to sit during the sessions of the House on Monday, Tuesday, and Wednesday. If we are going to meet at 11 o'clock to-morrow, I want to be here.

Mr. MICHENER. The purpose of sitting in the afternoon is to consider certain bills which we have considered and reported.

Mr. LAGUARDIA. But the order still stands. At 11 o'clock I want to be here.

Mr. BANKHEAD. This unanimous-consent request does not make it mandatory.

Mr. LAGUARDIA. If the majority of the committee wants to sit they have the authority, and we can not be in two places at the same time.

The SPEAKER. Is there objection to the request of the gentleman from Connecticut?

There was no objection.

## GENERAL LEAVE TO EXTEND REMARKS

Mr. STAFFORD. Mr. Speaker, I ask unanimous consent that all Members may be privileged to extend their remarks upon Senate Joint Resolution 49, the Muscle Shoals bill, for five legislative days, dating from to-morrow.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

## LEAVE OF ABSENCE

The following leave of absence was granted:

To Mr. COCHRAN of Pennsylvania, on account of the death of a close relative.

To Mr. MORGAN, for two days, on account of important business.

## SENATE BILL REFERRED

A bill of the Senate of the following title was taken from the Speaker's table and under the rule referred as follows:

S. 4538. An act authorizing the construction, maintenance, and operation of a bridge across the Missouri River between Council Bluffs, Iowa, and Omaha, Nebr.; to the Committee on Interstate and Foreign Commerce.

## ENROLLED BILLS SIGNED

Mr. CAMPBELL of Pennsylvania, from the Committee on Enrolled bills, reported that that committee had examined and found truly enrolled bills and joint resolutions of the House of the following titles, which were thereupon signed by the Speaker:

H. R. 7955. An act making appropriations for the military and nonmilitary activities of the War Department for the fiscal year ending June 30, 1931, and for other purposes;

H. R. 9412. An act to provide for a memorial to Theodore Roosevelt for his leadership in the cause of forest conservation;

H. R. 11433. An act to amend the act entitled "An act to provide for the acquisition of certain property in the District of Columbia for the Library of Congress, and for other purposes," approved May 21, 1928, relating to the condemnation of land;

H. J. Res. 328. Joint resolution authorizing the immediate appropriation of certain amounts authorized to be appropriated by the settlement of war claims act of 1928;

H. J. Res. 346. Joint resolution to supply a deficiency in the appropriation for the employees' compensation fund for the fiscal year 1930;

H. J. Res. 349. Joint resolution making an appropriation to the Grand Army of the Republic Memorial Day corporation for use on May 30, 1930; and

H. J. Res. 350. Joint resolution to provide funds for payment of the expenses of the Marine Band in attending the Fortieth Annual Confederate Veterans' Reunion.

The SPEAKER announced his signature to an enrolled bill of the Senate of the following title:

S. 15. An act to amend the act entitled "An act to amend the act entitled 'An act for the retirement of employees in the classified civil service, and for other purposes,' approved May 22, 1920, and acts in amendment thereof," approved July 3, 1926, as amended.

#### BILLS PRESENTED TO THE PRESIDENT

Mr. CAMPBELL of Pennsylvania, from the Committee on Enrolled Bills, reported that that committee did on this day present to the President, for his approval, bills and a joint resolution of the House of the following titles:

H. R. 293. An act for the relief of James Albert Couch, otherwise known as Albert Couch;

H. R. 567. An act for the relief of Rolla Duncan;

H. R. 591. An act for the relief of Howard C. Frink;

H. R. 649. An act for the relief of Albert E. Edwards;

H. R. 666. An act authorizing the Secretary of the Treasury to pay to Eva Broderick for the hire of an automobile by agents of Indian Service;

H. R. 833. An act for the relief of Verl L. Amsbaugh;

H. R. 1198. An act to authorize the United States to be made a party defendant in any suit or action which may be commenced by the State of Oregon in the United States District Court for the District of Oregon for the determination of the title to all or any of the lands constituting the beds of Malheur and Harney Lakes in Harney County, Oreg., and lands riparian thereto, and to all or any of the waters of said lakes and their tributaries, together with the right to control the use thereof, authorizing all persons claiming to have an interest in said land, water, or the use thereof to be made parties or to intervene in said suit or action, and conferring jurisdiction on the United States courts over such cause;

H. R. 1837. An act for the relief of Kurt Falb;

H. R. 2152. An act to promote the agriculture of the United States by expanding in the foreign field the service now rendered by the United States Department of Agriculture in acquiring and diffusing useful information regarding agriculture, and for other purposes;

H. R. 2604. An act for the relief of Don A. Spencer;

H. R. 5259. An act to amend section 939 of the Revised Statutes;

H. R. 5262. An act to amend section 829 of the Revised Statutes of the United States;

H. R. 5266. An act to amend section 649 of the Revised Statutes (U. S. C., title 28, sec. 773);

H. R. 5268. An act to amend section 1112 of the Code of Law for the District of Columbia;

H. R. 6083. An act for the relief of Goldberg & Levkoff;

H. R. 6084. An act to ratify the action of a local board of sales control in respect to contracts between the United States and Goldberg & Levkoff;

H. R. 6142. An act to authorize the Secretary of the Navy to lease the United States naval destroyer and submarine base, Squantum, Mass.;

H. R. 6151. An act to authorize the Secretary of War to assume the care, custody, and control of the monument to the memory of the soldiers who fell in the Battle of New Orleans, at Chalmette, La., and to maintain the monument and grounds surrounding it;

H. R. 6414. An act authorizing the Court of Claims of the United States to hear and determine the claim of the city of Park Place, heretofore an independent municipality, but now a part of the city of Houston, Tex.;

H. R. 7333. An act for the relief of Allen Nichols;

H. R. 7955. An act making appropriations for the military and nonmilitary activities of the War Department for the fiscal year ending June 30, 1931, and for other purposes;

H. R. 8854. An act for the relief of William Taylor Coburn;

H. R. 9154. An act to provide for the construction of a revetment wall of Fort Moultrie, S. C.;

H. R. 9334. An act to provide for the study, investigation, and survey, for commemorative purposes, of the battle field of Saratoga, N. Y.;

H. R. 9412. An act to provide for a memorial to Theodore Roosevelt for his leadership in the cause of forest conservation;

H. R. 10082. An act to authorize the attendance of the Marine Band at the national encampment of the Grand Army of the Republic at Cincinnati, Ohio;

H. R. 10877. An act authorizing appropriations to be expended under the provisions of sections 4 to 14 of the act of March 1, 1911, entitled "An act to enable any State to cooperate with any other State or States, or with the United States, for the protection of the watersheds of navigable streams, and to appoint a commission for the acquisition of lands for the purpose of conserving the navigability of navigable rivers," as amended;

H. R. 11433. An act to amend the act entitled "An act to provide for the acquisition of certain property in the District of Columbia for the Library of Congress, and for other purposes," approved May 21, 1928, relating to the condemnation of land;

H. R. 11703. An act granting the consent of Congress to the city of Olean, N. Y., to construct, maintain, and operate a free highway bridge across the Allegheny River at or near Olean, N. Y.; and

H. J. Res. 343. Joint resolution to supply a deficiency in the appropriation for miscellaneous items, contingent fund of the House of Representatives.

#### ADJOURNMENT

Mr. RANSLEY. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 18 minutes p. m.) the House, under its previous order, adjourned until to-morrow, Wednesday, May 28, at 11 o'clock a. m.

#### COMMITTEE HEARINGS

Mr. TILSON submitted the following tentative list of committee hearings scheduled for Wednesday, May 28, 1930, as reported to the floor leader by clerks of the several committees:

##### COMMITTEE ON EDUCATION

(10.30 a. m.)

Authorizing an annual appropriation to the Braille Institute of America (Inc.) for the purpose of manufacturing and furnishing embossed books and periodicals for the blind and designing the conditions upon which the same may be used (H. R. 9994).

##### COMMITTEE ON MILITARY AFFAIRS

(10 a. m.)

To amend the national defense act of June 3, 1916, as amended (H. R. 10478).

##### COMMITTEE ON APPROPRIATIONS

(10.30 a. m.)

Second deficiency bill.

##### COMMITTEE ON NAVAL AFFAIRS

(10.30 a. m.)

Authorizing the Secretary of the Navy to accept, without cost to the Government of the United States, a lighter-than-air base near Sunnyvale, in the county of Santa Clara, State of California, and construct necessary improvements thereon (H. R. 6810).

Authorizing the Secretary of the Navy to accept a free site for a lighter-than-air base at Camp Kearny, near San Diego, Calif., and construct necessary improvements thereon (H. R. 6808).

##### COMMITTEE ON BANKING AND CURRENCY

(2.30 p. m.)

To authorize the Committee on Banking and Currency to investigate chain and branch banking (H. Res. 141).

#### EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of Rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

502. A communication from the President of the United States, transmitting draft of a proposed provision pertaining to an existing appropriation for salaries and expenses of the Federal Radio Commission, contained in the independent offices act, 1931 (H. Doc. No. 431); to the Committee on Appropriations and ordered to be printed.

503. A communication from the President of the United States, transmitting an estimate of appropriation for the Grand Army of the Republic Memorial Day Corporation for the fiscal year ending June 30, 1930, amounting to \$2,500 (H. Doc. No. 432); to the Committee on Appropriations and ordered to be printed.

504. A letter from the Secretary of War, transmitting a draft of a bill to authorize the acquisition of lands in Alameda and Marin Counties, Calif., and the construction of buildings and utilities thereon for military purposes; to the Committee on Military Affairs.

505. A communication from the President of the United States, transmitting deficiency estimate of appropriations for the Department of Justice for the fiscal years 1925 and 1928, amount-

ing to \$38, and supplemental estimates of appropriations for the fiscal years 1930 and 1931 amounting to \$3,609,348; in all, \$3,609,386 (H. Doc. No. 433); to the Committee on Appropriations and ordered to be printed.

506. A communication from the President of the United States, transmitting deficiency estimates of appropriations for the Department of State for the fiscal year 1929, amounting to \$3,237.20, and supplemental estimate of appropriation for the fiscal year 1930, amounting to \$3,484.33; in all \$6,721.53 (H. Doc. No. 434); to the Committee on Appropriations and ordered to be printed.

507. A communication from the President of the United States, transmitting deficiency and supplemental estimates of appropriations; proposed authorization for expenditure of Indian tribal funds; and drafts of proposed provisions pertaining to existing appropriations for the Department of the Interior for the fiscal years 1925, 1927, 1929, 1930, and 1931, amounting in all to \$556,165.87 (H. Doc. No. 435); to the Committee on Appropriations and ordered to be printed.

508. A letter from the Comptroller General of the United States, transmitting report and recommendation concerning the claim of the corporation C. P. Jensen, of Denmark; to the Committee on Claims.

#### REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of Rule XIII,

Mr. LEHLBACH: Committee on the Merchant Marine and Fisheries. H. R. 12599. A bill to amend section 16 of the radio act of 1927; without amendment (Rept. No. 1665). Referred to the House Calendar.

Mr. RANSLEY: Committee on Military Affairs. H. R. 9638. A bill to establish a branch home of the National Home for Disabled Volunteer Soldiers at or near Roseburg, Oreg.; with amendment (Rept. No. 1666). Referred to the Committee of the Whole House on the state of the Union.

Mr. DYER: Committee on the Judiciary. H. R. 12347. A bill to provide for the appointment of an additional district judge for the eastern district of Missouri; without amendment (Rept. No. 1667). Referred to the Committee of the Whole House on the state of the Union.

Mr. FISH: Committee on Foreign Affairs. H. J. Res. 322. A joint resolution authorizing payment of the claim of the Norwegian Government for interest upon money advanced by it in connection with the protection of American interests in Russia; without amendment (Rept. No. 1668). Referred to the Committee of the Whole House on the state of the Union.

Mr. MICHENER: Committee on the Judiciary. H. R. 12350. A bill to provide for the appointment of an additional district judge for the eastern district of Michigan; without amendment (Rept. No. 1669). Referred to the Committee of the Whole House on the state of the Union.

Mr. McSWAIN: Committee on Military Affairs. H. R. 6128. A bill to establish a national military park to commemorate the Battle of Kings Mountain; without amendment (Rept. No. 1671). Referred to the Committee of the Whole House on the state of the Union.

#### REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of Rule XIII,

Mr. BUTLER: Committee on Claims. S. 1299. An act for the relief of C. M. Williamson, C. E. Liljenquist, Lottie Redman, and H. N. Smith; without amendment (Rept. No. 1660). Referred to the Committee of the Whole House.

Mr. BOX: Committee on Claims. S. 1748. An act for the relief of the Lakeside Country Club; without amendment (Rept. No. 1661). Referred to the Committee of the Whole House.

Mr. JOHNSON of Nebraska: Committee on Claims. H. R. 4281. A bill for the relief of Daniel Coakley; without amendment (Rept. No. 1662). Referred to the Committee of the Whole House.

Mr. CLARK of North Carolina: Committee on Claims. H. R. 8898. A bill for the relief of Viola Wright; without amendment (Rept. No. 1663). Referred to the Committee of the Whole House.

Mr. NELSON of Wisconsin: Committee on Claims. H. R. 12023. A bill to repeal the provision of law granting a pension to Lois Cramton; without amendment (Rept. No. 1664). Referred to the Committee of the Whole House.

#### PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of Rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. DENISON: A bill (H. R. 12640) for the retirement of employees of the Panama Canal and the Panama Railroad Co. of Panama, who are citizens of the United States; to the Committee on Interstate and Foreign Commerce.

By Mr. GIBSON: A bill (H. R. 12641) to amend an act entitled "An act to establish a code of law for the District of Columbia," approved March 3, 1901, and the acts amendatory thereof and supplemental thereto; to the Committee on the District of Columbia.

By Mr. WHITEHEAD: A bill (H. R. 12642) to amend the act entitled "An act to readjust the pay and allowances of the commissioned and enlisted personnel of the Army, Navy, Marine Corps, Coast Guard, Coast and Geodetic Survey, and Public Health Service," approved June 10, 1922, as amended; to the Committee on Military Affairs.

By Mr. CRAMTON: A bill (H. R. 12643) creating the Port Huron-Sarnia international bridge commission and authorizing said commission and its successors to construct, maintain, and operate a bridge across the St. Clair River at or near Port Huron, Mich.; to the Committee on Interstate and Foreign Commerce.

By Mr. BRITTEN: A bill (H. R. 12644) to divest prize-fight films of their character as subjects of interstate or foreign commerce, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. BACON: Resolution (H. Res. 228) to amend rule 14 of the Rules of the House of Representatives; to the Committee on Rules.

By Mr. HAUGEN: Resolution (H. Res. 229) for the consideration of H. R. 11514 to define preserves, jam, jelly, and apple butter, to provide standards therefor, and to amend the food and drugs act of June 30, 1906, as amended; to the Committee on Rules.

By Mr. CHINDBLOM: Joint resolution (H. J. Res. 351) providing for an investigation and report by a committee to be appointed by the President with reference to the representation at and participation in the Chicago World's Fair Centennial Celebration, known as the Century of Progress Exposition, on the part of the Government of the United States and its various departments and activities; to the Committee on Ways and Means.

By Mr. COLLINS: Joint resolution (H. J. Res. 352) extending the franking privilege; to the Committee on the Post Office and Post Roads.

#### PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BOWMAN: A bill (H. R. 12645) granting an increase of pension to Rachel E. Zinn; to the Committee on Invalid Pensions.

By Mr. CONNERY: A bill (H. R. 12646) for the relief of Frank G. Mullay; to the Committee on Military Affairs.

By Mr. DUNBAR: A bill (H. R. 12647) granting a pension to Richard Lapp; to the Committee on Pensions.

By Mr. HOPE: A bill (H. R. 12648) granting a pension to Rowena M. Tillberry; to the Committee on Invalid Pensions.

By Mr. HOPKINS: A bill (H. R. 12649) granting an increase of pension to Carlisle F. Lehr; to the Committee on Invalid Pensions.

By Mr. KELLY: A bill (H. R. 12650) for the relief of T. W. Mallonee; to the Committee on Claims.

By Mrs. LANGLEY: A bill (H. R. 12651) granting a pension to Millie White; to the Committee on Invalid Pensions.

Also, a bill (H. R. 12652) granting a pension to John D. Hoskins; to the Committee on Pensions.

By Mr. MEAD: A bill (H. R. 12653) for the relief of Frank Drodowsky, otherwise known as Frank Weber; to the Committee on Military Affairs.

By Mr. McREYNOLDS: A bill (H. R. 12654) granting an increase of pension to Sarah Emaline Hickey; to the Committee on Invalid Pensions.

By Mr. PURNELL: A bill (H. R. 12655) granting a pension to Mary E. Bunch; to the Committee on Invalid Pensions.

By Mr. REECE: A bill (H. R. 12656) granting a pension to Ellen Griffin; to the Committee on Invalid Pensions.

Also, a bill (H. R. 12657) granting a pension to Martin T. Atkins; to the Committee on Pensions.

By Mr. STRONG of Pennsylvania: A bill (H. R. 12658) granting a pension to Mary Louise Baker; to the Committee on Invalid Pensions.

By Mr. VESTAL: A bill (H. R. 12659) for the relief of Harrison Simpson; to the Committee on Claims.

By Mr. JOHNSON of South Dakota: Resolution (H. Res. 227) to pay James W. Boyer, jr., for extra and expert services to the Committee on World War Veterans' Legislation; to the Committee on Accounts.

#### PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

7390. By Mr. TAYLOR of Colorado: Petition of citizens of Breckenridge, Colo., urging congressional action for national vote on the repeal of the eighteenth amendment; to the Committee on the Judiciary.

7391. By Mr. YATES: Petition of Max Levy & Co., 845-865 Rees Street, Chicago, Ill., protesting and opposing the passage of House bill 9232; to the Committee on Labor.

7392. Also, petition of Miehle Printing Press & Manufacturing Co., Chicago, Ill., protesting the passage of the Sproul bill, H. R. 9232; to the Committee on Labor.

7393. Also, petition of Acme Steel Co., 2840 Archer Avenue, Chicago, protesting against House bill 11096; to the Committee on the Post Office and Post Roads.

7394. Also, petition of Bessie Bragg Pierson, president Illinois Woman's Athletic Club, Chicago, Ill., urging the passage of House bill 10344 but protesting the passage of House bill 11096; to the Committee on the Post Office and Post Roads.

### SENATE

WEDNESDAY, May 28, 1930

The Chaplain, Rev. Z. Barney T. Phillips, D. D., offered the following prayer:

O Thou who but yesternight didst enfold the slumbering world in rayless majesty that again Thou mightest bring forth the day in which Thou hast decked Thyself with light as with a garment, we thank Thee for the hours of rest after toilsome labor and the joy of doing with all our might whatsoever Thou commandest, divinely surprised by the beautiful thoughts Thou thinkest in us. Refresh us with the precious things of earth and the fullness thereof—the lengthening daylight, the pulsings of spring, the new robe of verdure with which nature is clothed—that we may be happy as children while striving as men, knowing that we're armed without if innocent within.

Keep our hearts pure, our thinking straight, our spirits humble, that from all seeming evil we may still educe the good and find on duty's highway that holy shrine where buds the promise of celestial worth. Through Jesus Christ our Lord. Amen.

#### THE JOURNAL

The Chief Clerk proceeded to read the Journal of the proceedings of the legislative day of Monday last, when, on request of Mr. Fess and by unanimous consent, the further reading was dispensed with and the Journal was approved.

#### MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Farrell, its enrolling clerk, announced that the House had agreed to the amendment of the Senate to each of the following bills of the House:

H. R. 5258. An act to repeal section 144, title 2, of the act of March 3, 1899, chapter 429 (sec. 2253 of the Compiled Laws of Alaska); and

H. R. 5261. An act to authorize the destruction of duplicate accounts and other papers filed in the offices of clerks of the United States district courts.

The message also announced that the House had agreed to Concurrent Resolutions 35 and 36, in which it requested the concurrence of the Senate.

#### CORRECTION OF MISSTATEMENT OF VIEWS ON PROHIBITION

Mr. JONES. Mr. President, I do not very often refer to items in newspapers relating to myself. I think, however, that once in a while it may be justified. I gave out a statement on yesterday to the newspapers in regard to prohibition and certain action taken in my State. I did not suppose it would create any furor or hubbub as is indicated in the papers. It was simply a statement of the attitude which I have had for a great many years. But apparently some of our papers are disposed to grasp at straws and try to get hold of anything which they may use to impress the people with the idea that prohibition is losing and men are changing their opinions about it, and so on.

I am satisfied that the newspaper reporters gave accurate statements to their papers. They are honorable men and do not seek to misrepresent anyone. I have no doubt about that, but they do not control the columns of their papers, nor do they

control the policies of their papers. I assume they do not control the headlines either.

I want to call attention to one or two real misrepresentations; they may not be intended as misrepresentations, but they have that effect.

In the morning Washington Post there is a headline to which I wish to call attention. Headlines are a very effective means by which impressions are made upon the people. Many people get their impressions from the headlines without giving very careful, if any, consideration to the body of the article. I find in the morning Washington Post this headline:

Referendum urged on liquor by JONES.

There is absolutely no basis whatever for that headline. I have not urged and did not urge in the statement which I issued a referendum on liquor. I suggested to those who are opposed to prohibition that in my State there is a provision in the laws by which a referendum could be had, and suggested that that was the method they should follow. I would not urge a referendum on the liquor question at all. I am very well satisfied with the conditions set out in the eighteenth amendment and would not change it till we can get something better. Those who want to change our legislation or the Constitution are the ones who can try, if they desire, to take advantage of the referendum laws of my State.

At the beginning of the article it is said:

Senator WESLEY L. JONES (Republican), Washington, hurled a bombshell—

I did it all inadvertently if that was the result. I never supposed there was any bombshell about it. It was a simple statement of the views I have held for a long time—

into the wet-dry controversy yesterday in announcing that "the proper and courageous thing to do" would be to submit prohibition to a referendum in his State and that he would abide by its dictum in voting in the Senate for repeal, modification, or enforcement of the eighteenth amendment.

Mr. President, I said nothing of the kind. What I did say was, and I think the statement is perfectly clear, that if those opposed to prohibition would take advantage of the law to call for a referendum and have a referendum vote and the people of my State should vote to ask Congress to submit to the people the question of a modification of the eighteenth amendment or its repeal, I would vote in the Senate to submit—mark that, submit—that question to the people.

That is entirely different from the statement as it was made in the paper. I would gladly do that. If the people want to have the question submitted to them in the regular way provided by the Constitution, I am perfectly willing to give my people an opportunity to pass upon it; but I would not vote for repeal and I would not vote for modification. After the proposition to repeal or modify the eighteenth amendment would be submitted to the people of my State, I would vote against it myself and I would use all my power to induce the people of my State to vote against it; but I will vote, at the request duly made of the people of my State, for a proposition in the Senate to submit the question to them. That is an entirely different proposition than one to repeal the eighteenth amendment.

I find in the New York Times the following headline:

JONES will go wet if State so directs.

[Laughter.]

If anybody can find any justification for a headline like that in anything I have said they are welcome to it. If the wets are so anxious to find something consoling, if my statements bring them consolation, they are welcome to it. My views and attitude on prohibition have not changed one iota.

Mr. President, I ask that my statement which I gave out may be printed as a part of my remarks.

THE VICE PRESIDENT. Without objection, it is so ordered.

The statement is as follows:

#### STATEMENT BY SENATOR JONES REGARDING THE ACTION OF THE STATE CONVENTION AT BELLINGHAM

In my judgment the action of our State Republican convention at Bellingham on prohibition represents the sentiment of a small fraction of the people of the State of Washington so far as it looks to the sale of liquor. It binds no one.

Prohibition is not a partisan question. It should not be made one, at least until this absolutely appears necessary and there becomes a definite division between prohibitionists and antiprohibitionists regardless of old political partisan lines.

There is only one way the legal sale of liquor for beverage purposes can be brought about; the people have prescribed the way to do this. Those apparently in control of the convention did not seem to have the courage to follow the course laid out by the people themselves. The Constitution of the United States lays down the way by which